

State Quarterly Economic Developments



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U.S. DEPARTMENT OF COMMERCE

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Prepared by:

**The Regional Economic Analysis Division,
Bureau of Economic Analysis**

For:

**Office of Minority Business Enterprise
Economic Development Administration
Office of Regional Development
Title V Regional Commissions
Coastal Plains
Four Corners
Old West
Ozarks
Pacific Northwest
Southwest Border**

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INTRODUCTION

Reports on current economic developments in each State and the District of Columbia are published 4 times a year—in January, April, July, and October. The reports are the result of an interagency effort within the Department of Commerce to assemble and interpret, in a consistent manner for all States, current economic data from a variety of public and private sources. Each report contains analyses and data for a number of key economic indicators (see below) for the quarter ending four months prior to the publication date; this quarter is the most recent one for which data are available and is hereafter termed the “current” quarter. Each report highlights percent changes in the key economic indicators between the current quarter and the corresponding quarter one year earlier (hereafter termed the “year-ago” quarter); the use of this timespan eliminates the distorting effects of data fluctuations that recur seasonally. In addition, each report compares percent changes for each State with the corresponding changes for the Nation in order to assess the extent to which each State participates in national economic developments. The use of economic indicators for which the estimation methods are the same for all States facilitates State-to-State comparisons.

Each report sheds light on various aspects of each State's economy, such as the size of consumer and industrial markets, changes in the price level, the number of persons working or looking for work, and the future level of building activity. This information is particularly valuable to persons in government, business, the media, and the academic community who follow economic developments in particular States.

Key Economic Indicators

Each report focuses on all of the following key economic indicators:

1. **Personal income** consists of private and government wage and salary disbursements, other labor income (such as employers' contributions to private social insurance programs), farm and nonfarm proprietors' income, dividends, interest, rents, and transfer payments (such as unemployment insurance benefits), less personal contributions for social insurance. It is measured before the deduction of personal taxes. It is the only key economic indicator adjusted for seasonality; it is not adjusted for price changes. Personal income measures the size of consumer markets and, when presented by industry of origin, can be interpreted as a measure of the size of industrial markets.
2. The **labor force** consists of all civilians classified as employed or unemployed. **Employed persons** are (a) those who did any work for pay or profit or worked 15 hours or more per week as unpaid workers in a family enterprise, and (b) those who were not working but who had jobs or businesses from which they were temporarily absent for noneconomic reasons. **Unemployed persons** are those who had no jobs, but made specific efforts to find jobs and were available for work.
3. **Commercial bank loans** consist of commercial and industrial loans, loans to individuals, real estate loans, loans to farmers (except for real estate), and other loans (such as loans to other banks). They exclude holdings of government securities. **Commercial bank deposits** consist of demand deposits—which are noninterest-bearing and subject to withdrawal on demand—and time and savings deposits—which are interest-bearing and for which some advance notice may be required before withdrawal. It should be noted that loans and deposits reported by banks in a State may reflect the economic activities of nonresidents as well as residents.
4. **Construction contracts** represent estimated costs of structures contracted for and started, or due to start within 60 days. The total consists of the following types of structures: residential housekeeping (including additions and alterations), residential nonhousekeeping (such as hotels), nonresidential (such as stores and factories), and nonbuilding (such as streets and highways). The total includes subcontracting costs, such as those for roofing. **Dwelling units** started, or due to start, are those with built-in facilities for cooking and, where required by climate, for heating. Among the key economic indicators, construction starts data are useful because they indicate future economic activity.
5. **Retail sales** are total receipts from customers of establishments primarily engaged in selling goods for personal or household consumption and in rendering services incidental to the sale of the goods. Sales data, which indicate the level of consumer demand, are available for 19 States.
6. The **consumer price index** is a statistical measure of changes in prices for a fixed “market basket” of goods and services bought by a particular population group. In this report, the group consists of urban wage earners and clerical workers. In future reports, it will consist of all urban consumers. The index is available for about two dozen metropolitan areas in the Nation. The index is useful for measuring price changes over time; it cannot be used for making cost-of-living comparisons among areas because of differences among areas in the “market baskets.”
7. **Business incorporations** consist of new business that incorporate under State laws, businesses that transfer from noncorporate to corporate status, corporations that transfer from one State to another, and corporations that become certified to operate in an additional State. **Business failures** consist of concerns involved in court proceedings or voluntary actions that are likely to end in losses to creditors. Because of differences among States in incorporation and debt assignment laws, care must be taken in making State-to-State comparisons for either indicator.

For a more thorough discussion of the above indicators and their components, contact: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Analysis Division, Washington, D.C. 20230.

Organization of Each Report

Each report has two main parts.

The National-Regional Overview—has two sections:

1. **Nation.** This section contains a brief discussion of national economic developments, mainly for the timespan subsequent to the "current" quarter. The discussion focuses on gross national product, personal income, prices, employment and unemployment, and construction.
2. **Regions and States.** This section—which shows the economic development in any one region or State in the perspective of developments in other regions or States—contains a discussion and a data map of the Nation, divided into regions and States, for several of the key economic indicators. In general, the discussions and maps focus on percent changes in the indicators between the year-ago and the current quarter.

The States—has 51 sections, one for each State and the District of Columbia. Each State section has two main subsections:

1. **Highlights.** This subsection contains a brief discussion and a summary table. The discussion summarizes percent changes in the key

economic indicators for the State between the year-ago quarter and the current quarter, and compares these percent changes with the corresponding changes for the Nation. The table shows the underlying data.

2. **Analysis.** This subsection contains a discussion, a bar chart, a table, and line charts for each of the following indicators and their components: (a) personal income, (b) consumer prices, if available (no line charts), (c) labor force, (d) commercial banking, and (e) construction. This subsection also contains a discussion and a table for retail sales, if available, and a table for business incorporations and failures. In general, the discussions and bar charts analyze percent changes in the above indicators and their components for the State between the year-ago quarter and the current quarter, and compare these percent changes with the corresponding changes for the Nation. In general, the tables show State and national data for the current quarter and the year-ago quarter, and State data for the quarter preceding the current quarter and the corresponding year-ago quarter. The tables also show State and national percent changes between the year-ago quarter and the current quarter, and between the quarter preceding the year-ago quarter and the quarter preceding the current quarter. The line charts show the movements over time of quarterly State and national data.

NATIONAL-REGIONAL OVERVIEW

Nation

In 1979:II, **gross national product** (GNP) adjusted for price changes, that is, real output, declined 3.3 percent, according to estimates of July 20, 1979. This decline compared with increases of 1.1 percent in 1979:I and 5.6 percent in 1978:IV. (These estimates are at seasonally adjusted annual rates.) The negative rate of growth in real output was attributable to final sales, which declined 4.5 percent in 1979:II, compared with a 1.1-percent increase in 1979:I. The decline in final sales was partly offset by an increase in inventory accumulation. A sharp drop in consumer expenditures for goods, mainly in motor vehicles, accounted for most of the decline in final sales. Nonresidential producers' durable equipment purchases, residential investment outlays, net exports, and Federal Government purchases also declined. Only nonresidential construction outlays, consumer expenditures for services, and State and local government purchases increased in 1979:II.

In 1979:II, **personal income** increased 2.2 percent, compared with an increase of 2.7 percent in 1979:I and 3.5 percent in 1978:IV (seasonally adjusted, not at annual rates). Personal income is measured after deduction of personal contributions for social insurance. Reflecting increases in the social security tax rate and wage base effective January 1, these contributions increased much more in 1979:I than in 1979:II. Income before deduction of these contributions increased 2.1 percent in 1979:II, 3.0 percent in 1979:I, and 3.4 percent in 1978:IV. The deceleration in personal income was in wages and salaries, which increased 1.9 percent in 1979:II, compared with 3.0 percent in 1979:I and 3.4 percent in 1978:IV. Work stoppages had no measurable effect on wages and salaries for 1979:II as a whole. Nearly all major industry groups registered decelerations. Manufacturing payrolls, which increased only

1.0 percent in 1979:II, compared with about 4 percent in both 1979:I and 1978:IV, registered the largest deceleration. Construction payrolls, which in 1979:I had been depressed by the unfavorable weather, registered the only acceleration.

Civilian employment declined 0.2 million, to 96.4 million in 1979:II, compared with an increase of about 1.0 million in 1979:I. The **labor force** also declined 0.2 million, to 102.3 million versus an increase of 1.0 million in 1979:I. With both the labor force and civilian employment declining by the same amount, the number of **unemployed** remained at 5.9 million in 1979:II, and the **unemployment rate** remained at 5.7 percent. The percent of the population that was employed declined from a record 59.4 percent in 1979:I to 59.1 percent in 1979:II.

The **Consumer Price Index** increased about 14 percent (at an annual rate) in 1979:II. Energy prices increased about 50 percent, and food prices increased about 11 percent. The increase in energy prices was larger than in 1979:I, and the increase in food prices was smaller.

Residential housing activity strengthened in 1979:II. **Housing starts** increased to about 1.8 million starts (at a seasonally adjusted annual rate) in 1979:II from about 1.6 million in 1979:I. Starts had weakened in 1979:I due to the unfavorable weather, as well as other factors. Although housing starts improved in 1979:II, they remained below the 1978 average of 2.0 million. The number of **building permits** authorized for new private housing units also strengthened in 1979:II; they averaged about 1.6 million units (at a seasonally adjusted annual rate), after declining from 1.8 million in 1978 to 1.5 million in 1979:I.

Regions and States 1978:I to 1979:I

Personal Income

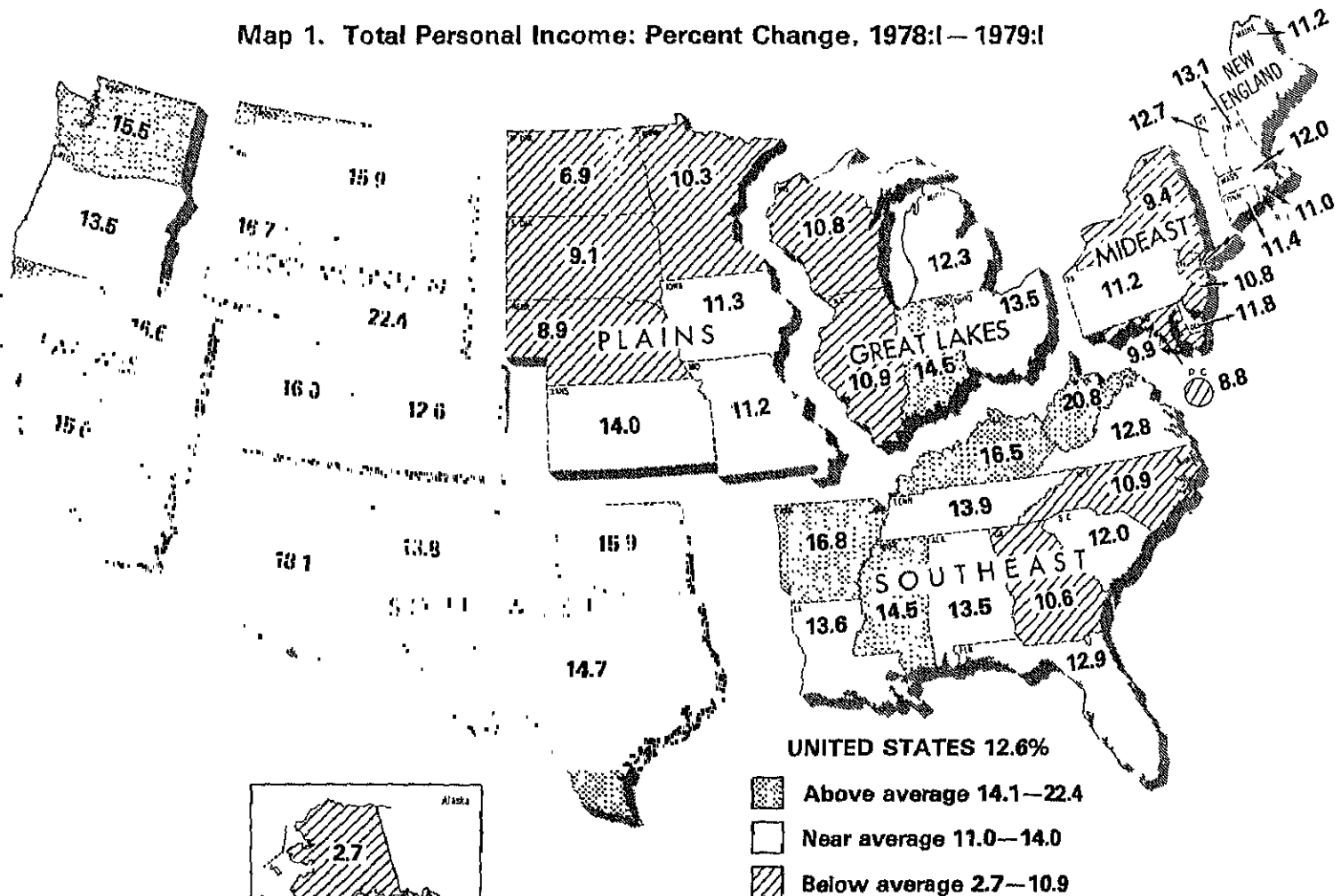
State personal income increased 12.6 percent. Real income increased about 2.7 percent, as the Consumer Price Index increased 9.9 percent. The increase in current-dollar personal income exceeded the national increase in consumer prices by at least 0.4 percentage point in all States except Alaska, North Dakota, Nebraska, South Dakota, New York, and Maryland, as well as the District of Columbia.

Nearly all of the 15 States with above-average increases in total personal income were in the West and South, including all States in the Far West, Rocky Mountain, and Southwest regions except Oregon, Colorado, and New Mexico (map 1). Southern and western States have registered large increases during most of the seventies. From 1978:I to 1979:I, manufacturing wage and salary disbursements (payrolls) increased at rates that exceeded the national average (14.0 percent) in nine of the above-average States. Large increases in farm income contributed to the above-average increases in total personal income in Montana, Arkansas, Idaho, California, and Mississippi. Mining payrolls were particularly strong in West Virginia, Kentucky, and Indiana, reflecting

the resumption of coal-mining activities after a miners' strike in 1978:I. Construction payrolls increased faster than the national average (21.3 percent) in 11 of the above-average States. Reflecting strength in commodity-producing industries, payrolls in private service-type industries increased faster than the national average (12.6 percent) in all of the above-average States.

Six of the 13 States (and the District of Columbia) with below-average increases in total personal income were in the Northeast-Great Lakes manufacturing belt, and four were in the Plains region. From 1978:I to 1979:I, manufacturing and construction payrolls increased at rates that lagged national averages in nine of the below-average States, and both types of payrolls declined in Alaska. Declines in farm income contributed strongly to the below-average increases in total personal income in Wisconsin, Minnesota, South Dakota, Nebraska, and North Dakota; on average, farm income declined 18.6 percent in these five States versus an increase of 25.1 percent in the Nation. Private service-type industries were weak in nearly all of the below-average States.

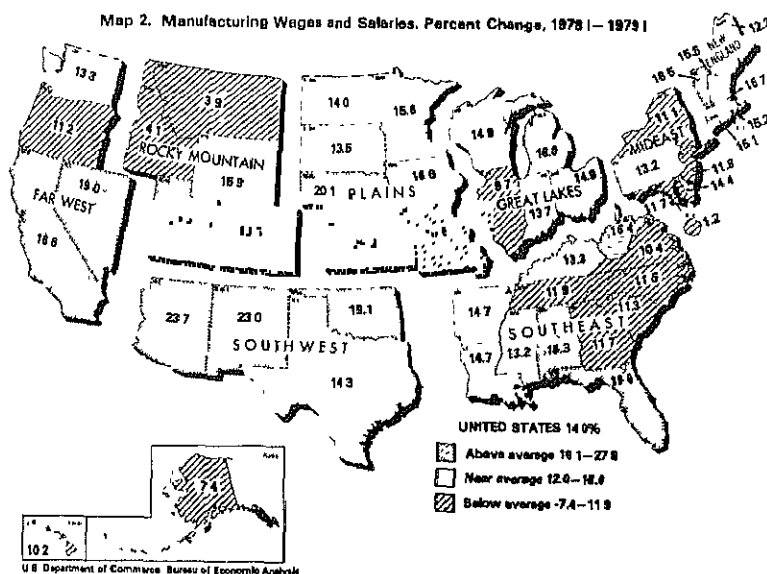
Map 1. Total Personal Income: Percent Change, 1978:I — 1979:I



Manufacturing Wages and Salaries

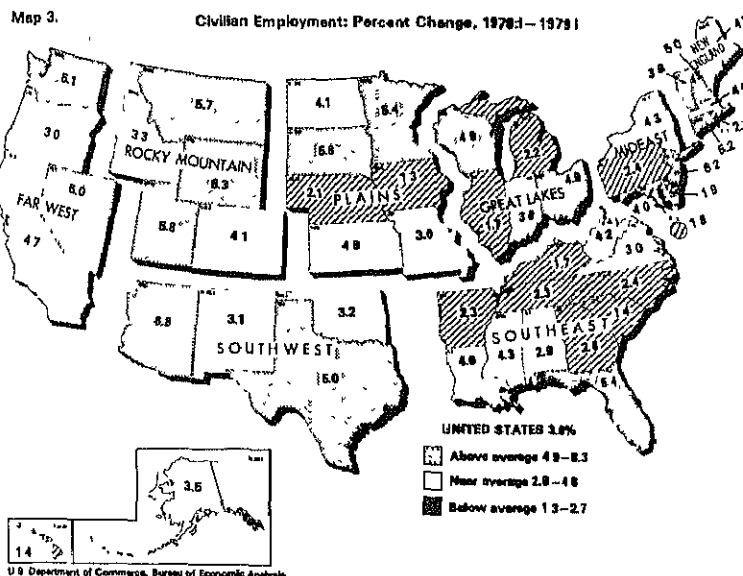
Nationally, manufacturing wages and salaries (payrolls) increased 14.0 percent. Most of the 13 States with above-average increases were in the South and West (map 2), in nearly all, manufacturing payrolls account for relatively small shares of total personal income, despite increases in the shares in the seventies. In nearly all of the above-average States, payrolls in both durables and nondurables manufacturing increased faster than the national averages. In the above-average States as a group, total manufacturing payrolls increased 20.4 percent versus 14.0 percent nationally; durables payrolls increased 23.4 percent versus 16.2 percent nationally, and nondurables payrolls increased 15.1 percent versus 9.9 percent.

Five of the 15 States (and the District of Columbia) with below-average increases in manufacturing payrolls were in the Northeast-Great Lakes manufacturing belt, and five were in the Southeast region. All of the below-average States had increases in durables payrolls that were below the national average, and most had increases in nondurables payrolls that were below the national average. In the below-average States as a group, total manufacturing payrolls increased 8.4 percent, durables payrolls increased 8.9 percent, and nondurables payrolls increased 8.0 percent.



Civilian Employment

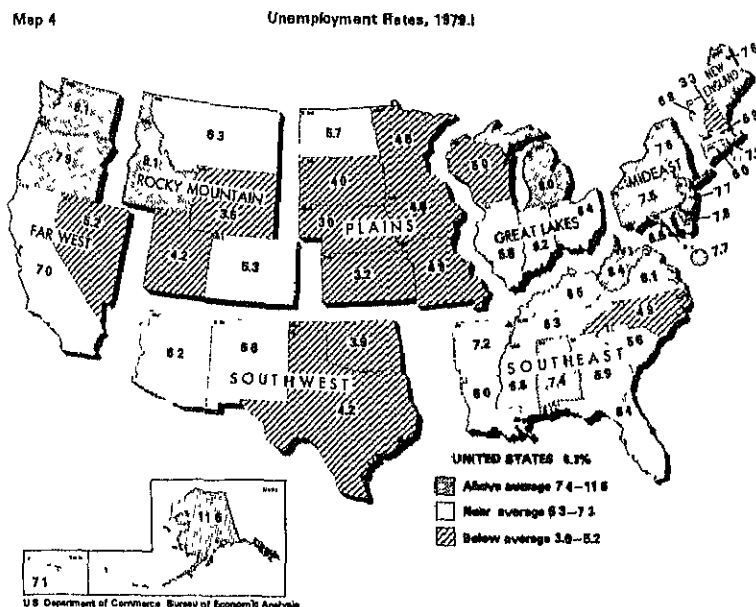
Nationally, civilian employment increased 3.8 percent. Increases of at least 1.3 percent were registered in all States and the District of Columbia (map 3). Nine of the 15 States with above-average increases were in the West (the Far West, Rocky Mountain, Southwest, and Plains regions). Most of the 14 States (and the District of Columbia) with below-average increases were in the Southeast region and in the Northeast-Great Lakes manufacturing belt.



Unemployment Rate

Nationally, the unemployment rate in 1979:I was 6.3 percent (not seasonally adjusted). Eight of the 13 States (and the District of Columbia) with above-average rates were in the Northeast-Great Lakes manufacturing belt, where unemployment rates have been relatively high in the seventies (map 4). Other States with high unemployment rates were Alaska, West Virginia, Washington, Idaho, Oregon, and Alabama. Most of the 14 States with below-average rates were in the Plains, Rocky Mountain, and Southwest regions, where unemployment rates have been relatively low in the seventies. Other States with low unemployment rates were New Hampshire, North Carolina, Wisconsin, and Nevada.

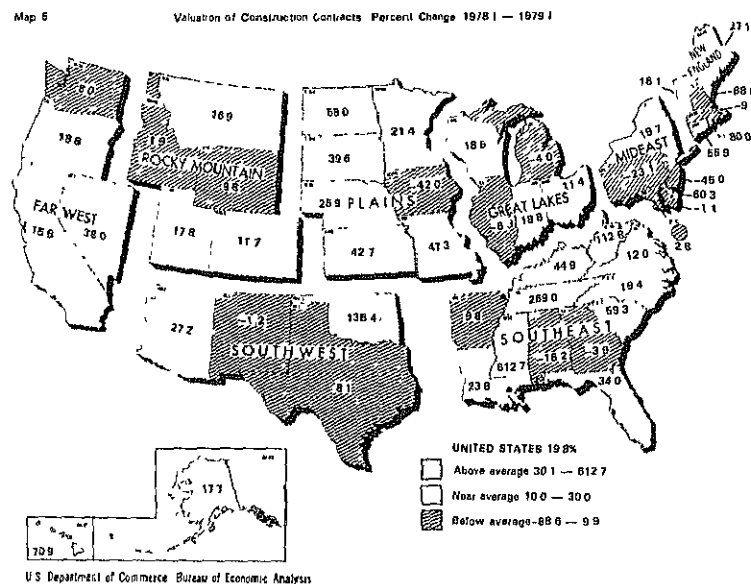
From 1978:I to 1979:I, the national unemployment rate declined 0.5 percentage point. Fourteen States (and the District of Columbia) registered large declines, which ranged from 0.9 percentage point to 1.6 percentage points. States with the largest declines were Montana, Nebraska, Missouri, Illinois, Wisconsin, and New Hampshire (and the District of Columbia). Montana, Wisconsin, and New Hampshire had increases in both the labor force and employment that exceeded national averages; the remaining three States and the District of Columbia had increases in both that lagged national averages. In contrast, the unemployment rate either increased or was unchanged in 14 States. States with the largest increases were Idaho, Michigan, and Oregon. Idaho and Michigan had increases in both the labor force and employment that lagged national averages.



Valuation of Construction Contracts

Nationally, the total valuation of construction contracts increased 19.8 percent. With construction costs increasing about 14 percent, the real valuation of construction contracts increased about 6 percent. The increases in the valuation of construction contracts in all but 12 States (and the District of Columbia) equaled or exceeded the national increase in construction costs. Most of the 16 States with above-average increases in the total valuation of contracts were in the Southeast and Plains regions; the others were Oklahoma, Rhode Island, Hawaii, Delaware, Connecticut, and Nevada (map 5). The average increase for the 16 States was 110 percent. In most of these States, the valuations of most major types of construction contracts increased faster than nationally. Strength was especially pronounced in nonbuilding, where each of these States except Connecticut and Florida had an increase that was above the increase in the Nation (23.7 percent). In Mississippi, Tennessee, Oklahoma, and West Virginia, where the increases in the valuation of all contracts exceeded 100 percent, the increases in the valuation of nonbuilding contracts were 494 percent or more. In Mississippi, Tennessee, and Oklahoma, large contracts for electric generating plants in 1979:I accounted for the large increases in the valuation of nonbuilding contracts.

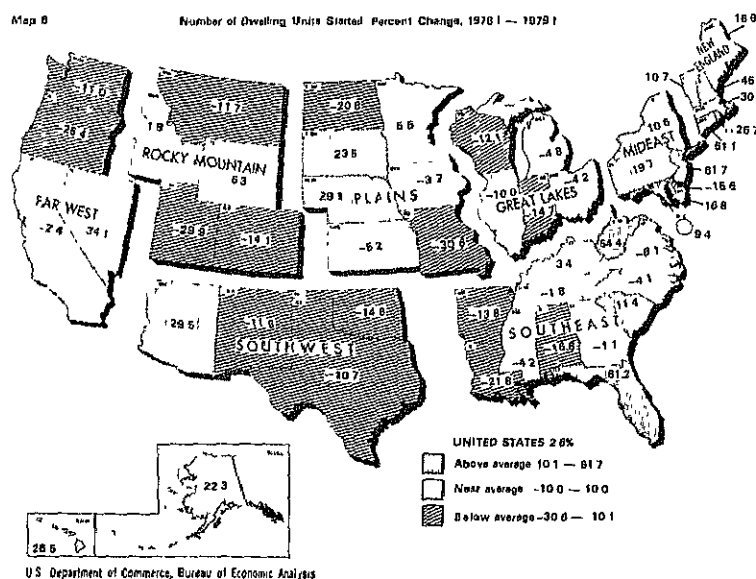
The 16 States (and the District of Columbia) with below-average increases in the total valuation of contracts were geographically widespread. On average, the total valuation of contracts for this group of States declined about 12 percent. In many of these States, the valuations of most major types of construction contracts increased more slowly than nationally. Weakness was especially noteworthy in nonbuilding, where each of these States except Massachusetts, Georgia, Texas, and Maryland, had either below-average increases or declines. In New Hampshire, New Jersey, Iowa, Pennsylvania, and Alabama, the declines in the valuation of nonbuilding contracts exceeded 65 percent. In each of the five States, a large contract for an electric generating plant in 1978:I raised the total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change.

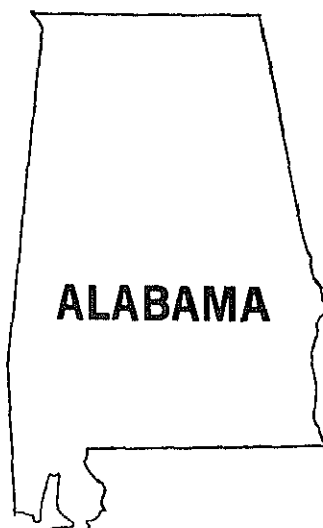


Number of Dwelling Units Started

Nationally, the number of dwelling units started increased 2.6 percent; starts were limited by financial and other factors. Many of the 19 States with above-average increases were in the Northeast, including all of the New England States and all of the Mideast States except Delaware (map 6). In the Northeast, the number of dwelling units started increased sharply from unusually low levels in 1978:I, when the weather was even more severe than in 1979:I. In the 19 States, on average, the number of dwelling units started increased more than 30 percent, and the valuation of residential housekeeping contracts increased more than 43 percent (versus an increase of about 12 percent in the Nation). Each of the 19 States had an above-average increase in the valuation of residential housekeeping contracts.

The 17 States with large declines were geographically widespread; each BEA region except New England and the Mideast had at least two States with large declines. On average, the number of dwelling units started in the 17 States declined about 17 percent, and the valuation of residential housekeeping contracts declined about 5 percent. Each of the 17 States except Montana and Indiana had a decline in the valuation of residential housekeeping contracts.





Highlights

1978:I to 1979:I

Personal income

- Up 13.5% vs. 12.6% in U.S., to \$25.1 billion
- Payrolls up 21.6% in durables manufacturing vs. 16.2% in U.S.
- Payrolls up 237.7% in mining vs. 59.5% in U.S.

Employment

- Up 2.9% vs. 3.8% in U.S., to 1.5 million

Unemployment

- Up 7,000, to 117,000
- Rate up slightly, to 7.4% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts down 16.2% vs. 19.8% increase in U.S.
- Valuation of nonbuilding contracts down 65.1% vs. 23.7% increase in U.S.
- Number of dwelling-unit starts down 16.8% vs. 2.6% increase in U.S.

TABLE 1.—Summary of Economic Indicators, United States and Alabama

	United States		Alabama				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	21,697	22,128	24,418	25,122	12.6	12.5	12.6	13.5
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	13,934	14,155	15,721	16,230	12.6	12.8	12.8	14.7
Civilian employment (thousands)	91,401	94,901	1,432	1,429	1,518	1,471	3.9	6.0	3.8	2.9
Unemployment (thousands)	6,705	6,360	105	110	93	117	-8.8	-11.8	-5.1	6.9
Percent unemployed (unemployment/labor force)	6.8	6.3	6.8	7.1	5.7	7.4	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	7,847	8,053	8,972	n.a.	15.6	14.3	---	---
Total deposits (millions of dollars)	911,772	n.a.	11,701	11,697	12,658	n.a.	9.3	8.2	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	571,553	823,070	712,510	689,783	16.8	24.7	19.8	-16.2
Dwelling units started (number)	404,171	414,826	8,951	11,156	9,245	9,279	-2	3.3	2.6	-16.8
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	945	1,263	1,150	n.a.	13.2	21.7	---	---
Business failures (number)	1,729	n.a.	20	31	19	n.a.	-4.9	-5.0	---	---
Consumer Price Index (1967=100) U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n.a. Data not available.

Source: See tables 2 through 8.

Analysis

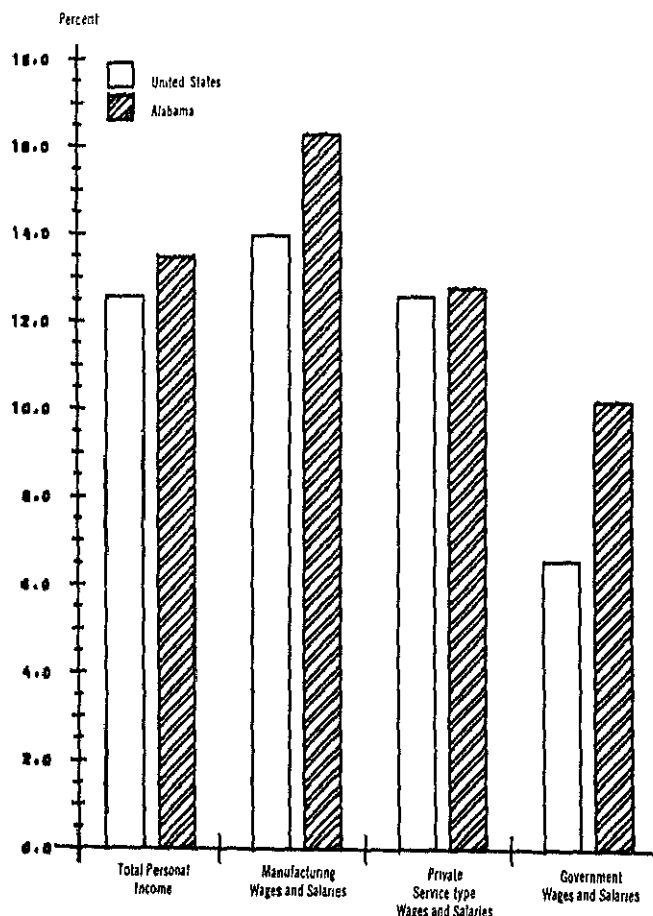
Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.5 percent in Alabama from 1978:I to 1979:I, compared with a 12.6-percent national increase (table 2). In 1979:I, the State's personal income totaled \$25.1 billion, up \$3.0 billion since 1978:I.

Wage and salary disbursements (payrolls) in the State increased 14.7 percent from year to year, one of the largest increases in the Nation, compared with a national increase of 12.8 percent. In 1979:I, payrolls totaled \$16.2 billion, up \$2.1 billion since 1978:I.

Durable goods manufacturing payrolls increased 21.6 percent, 5.4 percentage points more than nationally. Alabama's increase was one of the largest among all States; the year-to-year dollar increase in durables payrolls accounted for almost one-fourth of the year-to-year increase in total payrolls. Nondurable goods manufacturing payrolls increased 10.4 percent in the State versus 9.9 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Payrolls in mining more than tripled from 1978:I to 1979:I, compared with a 59.5-percent national increase; this was the largest increase in the Nation and reflected the resumption of coal-mining activities after a miners' strike in 1978:I.

State and local government payrolls increased 12.9 percent in Alabama, over twice as much as nationally. Increases were larger in only Mississippi, Illinois, and Wyoming. In contrast, Federal Government payrolls increased 6.7 percent in Alabama, almost 1 percentage point less than nationally.

Among private service-type industries, payrolls increased faster than nationally in only transportation-communication-public utilities—20.4 percent versus 11.5 percent. Alabama's increase in the transportation group was the third largest nationally, after increases in Wyoming and Arizona. In trade, payrolls increased 11.4 percent in Alabama versus 13.7 percent nationally, and in services, payrolls increased 10.4 percent versus 11.7 percent nationally. In finance-insurance-real estate, payrolls increased 13.0 percent in the State and 13.3 percent in the Nation.

Construction payrolls increased only 11.5 percent in Alabama, one of the smallest increases in the Nation, compared with a national increase of 21.3 percent.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

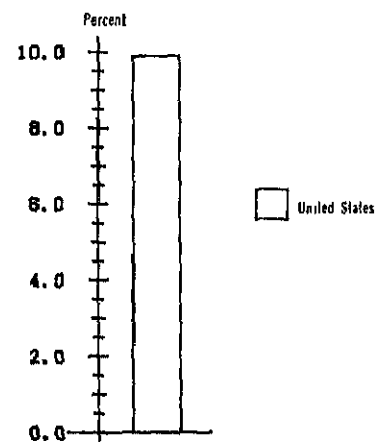


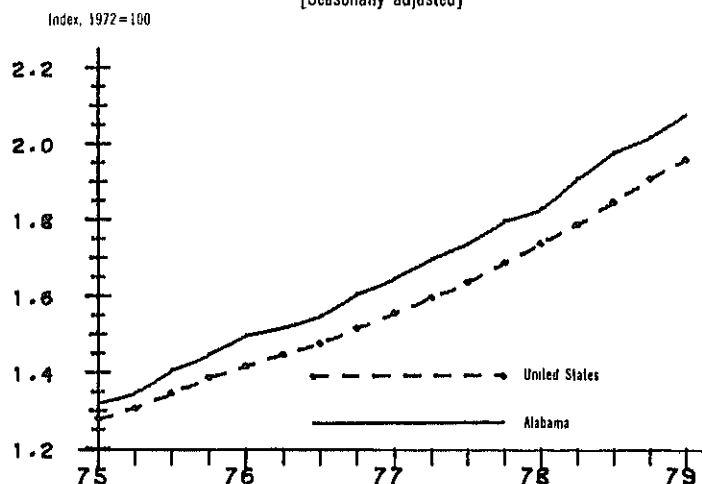
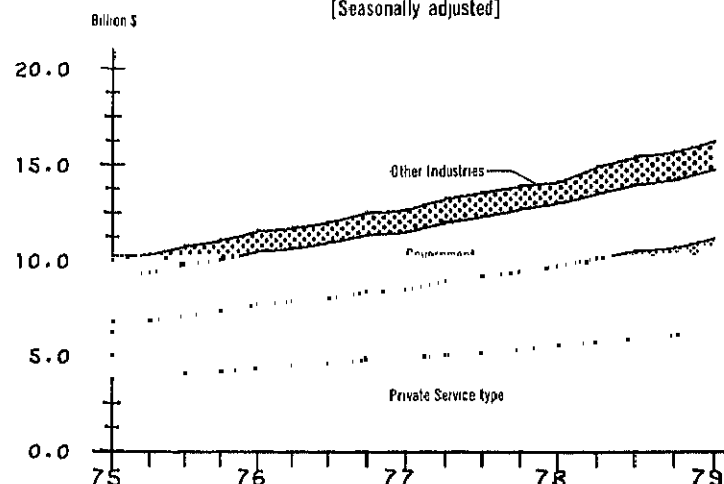
Chart 3.—Total Personal Income
[Seasonally adjusted]Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

TABLE 2.—Personal Income, United States and Alabama

	United States		Alabama				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977:IV-- 1978:IV		1978:I-- 1979:I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	21,697	22,128	24,418	25,122	12.6	12.5	12.6	13.5
Farm personal income	32,083	40,141	467	561	561	624	26.3	20.2	25.1	11.3
Nonfarm personal income	1,592,582	1,789,374	21,230	21,568	23,857	24,498	12.3	12.4	12.4	13.6
Total personal income	1,624,665	1,829,515	21,697	22,128	24,418	25,122	12.6	12.5	12.6	13.5
Wage and salary disbursements	1,042,716	1,176,598	13,934	14,155	15,721	16,230	12.6	12.8	12.8	14.7
Other labor income	99,957	115,833	1,372	1,388	1,608	1,673	16.4	17.3	15.9	20.5
Proprietors' income	108,808	126,535	1,535	1,663	1,798	1,855	18.9	17.1	16.3	11.6
Farm	24,448	31,221	402	496	491	550	31.3	22.1	27.7	10.9
Nonfarm	84,360	95,314	1,133	1,167	1,307	1,305	15.3	15.3	13.0	11.9
Dividends, interest, and rent	221,191	250,595	2,111	2,172	2,351	2,428	12.8	11.4	13.3	11.8
Transfer payments	219,202	238,794	3,421	3,466	3,722	3,811	8.2	8.8	8.9	10.0
State unemployment insurance benefits	9,997	8,023	146	118	95	104	-30.3	-34.8	-19.7	-11.1
Less personal contributions	66,792	78,351	959	1,013	1,100	1,205	15.1	14.7	17.3	18.9
Plus residence adjustment	-417	-489	284	298	317	331	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	13,934	14,155	15,721	16,230	12.6	12.8	12.8	14.7
Farm	7,215	8,422	63	63	68	72	10.6	8.0	16.7	14.0
Nonfarm	1,035,501	1,168,176	13,870	14,092	15,653	16,158	12.6	12.9	12.8	14.7
Mining	12,013	19,166	216	94	321	318	33.9	48.5	59.5	237.7
Construction	56,564	68,593	876	895	1,030	998	20.1	17.6	21.3	11.5
Manufacturing	285,735	325,636	4,100	4,196	4,613	4,879	13.3	12.5	14.0	16.3
Durable goods	182,321	211,944	2,189	2,210	2,553	2,687	15.2	16.7	16.2	21.6
Nondurable goods	103,414	113,692	1,911	1,987	2,059	2,192	10.0	7.8	9.9	10.4
Private service-type	473,132	532,823	5,423	5,604	6,104	6,323	13.1	12.6	12.6	12.8
Transportation, communication, and public utilities	79,598	88,755	990	997	1,147	1,200	11.3	15.8	11.5	20.4
Wholesale and retail trade	177,331	201,608	2,192	2,252	2,412	2,508	14.1	10.0	13.7	11.4
Finance, insurance, and real estate	55,930	63,373	610	605	666	684	13.2	9.2	13.3	13.0
Services	160,273	179,087	1,631	1,750	1,879	1,931	12.7	15.2	11.7	10.4
Government	204,558	218,008	3,217	3,261	3,541	3,592	6.9	10.1	6.6	10.2
Federal	68,698	73,916	1,456	1,445	1,535	1,541	7.1	5.4	7.6	6.7
State and local	135,860	144,092	1,761	1,816	2,006	2,051	6.8	13.9	6.1	12.9
Other	3,499	3,950	39	42	45	48	14.6	16.0	12.9	14.3

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Alabama¹

	United States		Alabama				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ² ..	188.4	207.0	---	---	---	---	8.9	---	9.9	---

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Alabama's civilian labor force increased 3.2 percent, the same as nationally (table 4). Total employment increased 2.9 percent (to 1.5 million), compared with a 3.8-percent national increase.

With the labor force increasing by 49,000 and employment increasing by 42,000, the number of unemployed increased by 7,000, to 117,000. Alabama's unemployment rate declined slightly, to 7.4 percent of the labor force. The national unemployment rate in 1979:I was 6.3 percent, down 0.5 percentage point from the level in 1978:I.

Among Alabama's major metropolitan areas, preliminary unemployment rates for March 1979, when the State's rate was 7.2 percent, ranged from 7.7 percent of the labor force in Huntsville to 5.6 percent in Montgomery. In Birmingham, which is the State's largest metropolitan area and which accounted for more than 23 percent of the State's total labor force in March 1979, the preliminary unemployment rate was 6.4 percent. The sharpest year-to-year change in the unemployment rate occurred in Tuscaloosa, where unemployment fell 3.0 percentage points, to 6.5 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Alabama

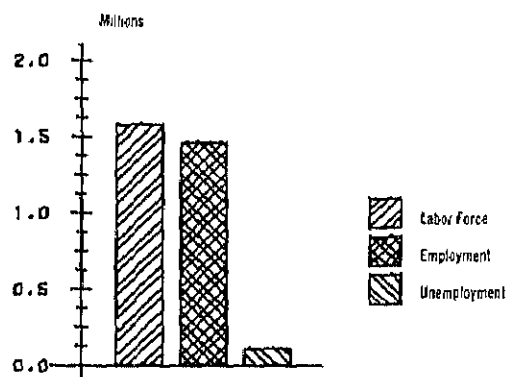


Chart 6.—Unemployment Rates, 1978:I—1979:I

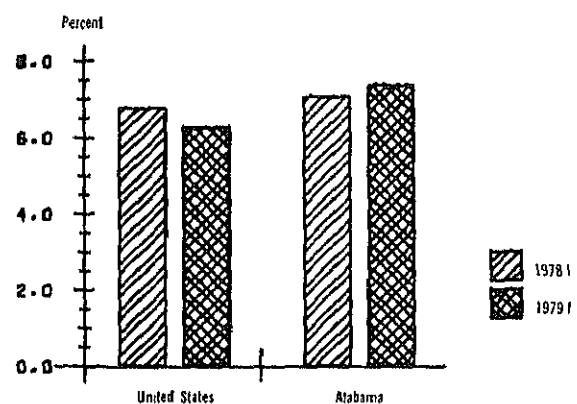


TABLE 4.—Labor Force, United States and Alabama

	United States		Alabama				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978.IV		1978 I— 1979:I	
Thousands of persons, not seasonally adjusted ¹							Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,297	1,285	1,361	1,343	4.2	4.9	2.9	4.6
Mining.	730	896	12	7	16	16	14.4	35.3	22.7	133.8
Construction	3,784	3,973	76	72	81	72	11.2	6.9	5.0	.4
Manufacturing	20,064	20,652	361	359	368	365	3.6	1.9	2.9	1.6
Transportation, communication, and public utilities	4,779	4,943	66	66	71	71	4.4	6.9	3.4	7.6
Wholesale and retail trade	18,937	19,549	268	259	277	271	4.5	3.2	3.2	4.6
Finance, insurance, and real estate.	4,601	4,790	56	56	58	58	5.2	4.9	4.1	3.7
Services	15,758	16,149	184	187	195	195	4.4	5.8	2.5	4.2
Government	15,435	15,648	274	280	295	296	1.4	7.8	1.4	6.0
Civilian labor force ³	98,106	101,260	1,537	1,539	1,610	1,588	3.1	4.8	3.2	3.2
Total employed	91,401	94,901	1,432	1,429	1,518	1,471	3.9	6.0	3.8	2.9
Total unemployed	6,705	6,360	105	110	93	117	-8.8	-11.8	-5.1	6.9
Percent unemployed	6.8	6.3	6.8	7.1	5.7	7.4	-	-	-	-

1. Detail may not add to totals because of rounding

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

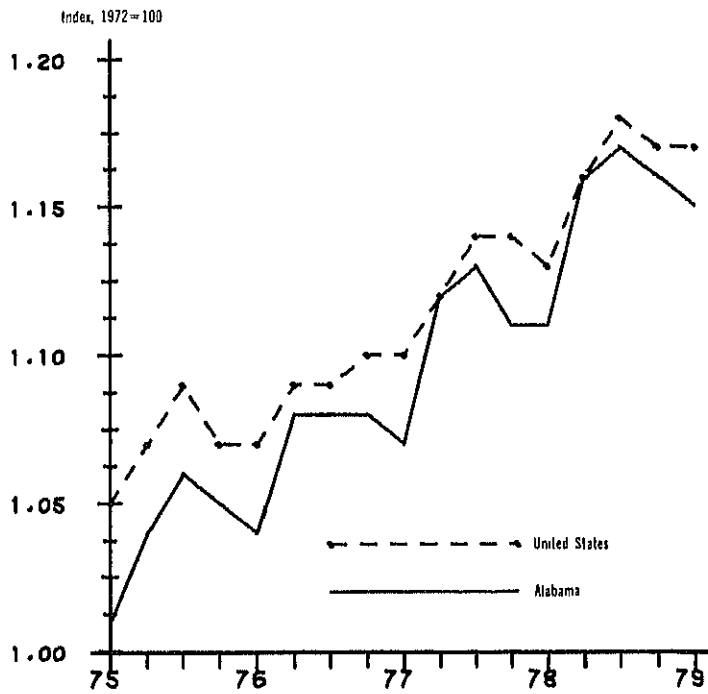


Chart 8.—Civilian Employment

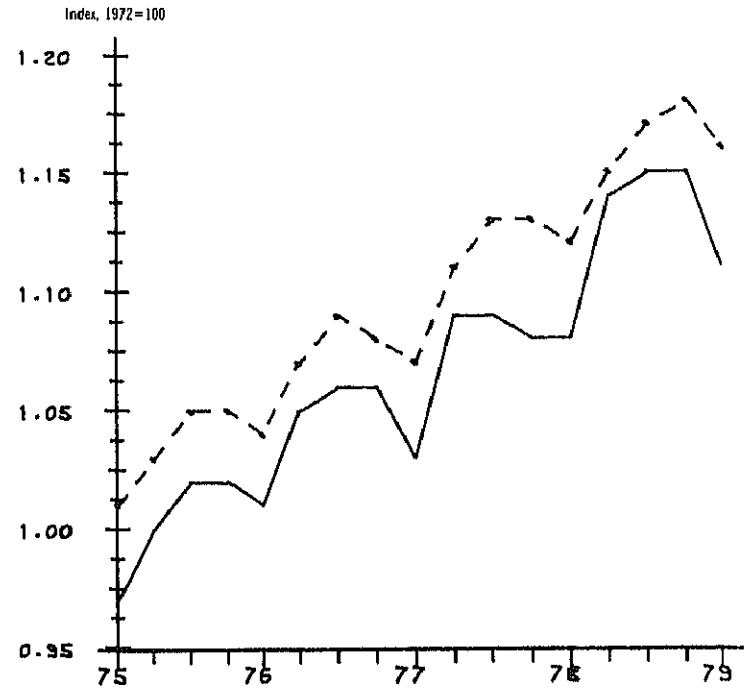


Chart 9.—Unemployment Rate

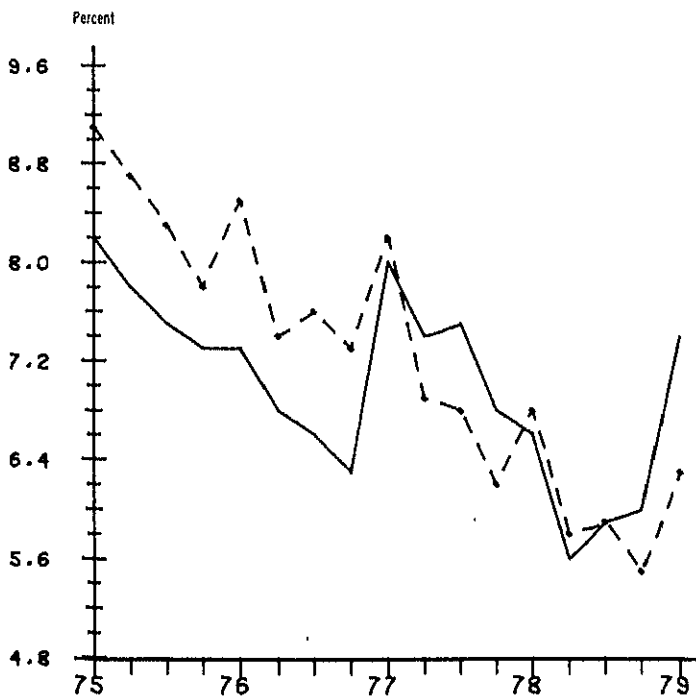
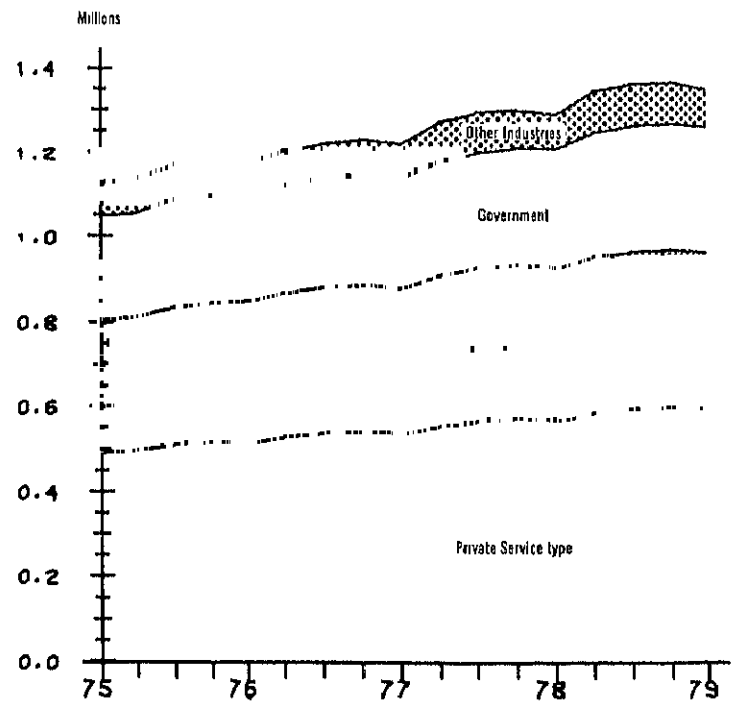


Chart 10.—Industrial Composition of Nonagricultural Employment: Alabama



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Alabama

	United States		Alabama				U S	State	U S	State
	1978 I	1979:I	1977:IV	1978 I	1978 IV	1979:I	1977:IV~ 1978 IV	1978 I~ 1979:I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	7,847	8,053	8,972	n.a.	15.6	14.3	---	---
Commercial and industrial	202,241	n.a.	2,168	2,258	2,467	n.a.	13.3	13.8	---	---
Loans to individuals	143,356	n.a.	2,741	2,810	3,154	n.a.	18.7	15.1	---	---
Real estate	183,599	n.a.	2,179	2,310	2,641	n.a.	19.6	21.2	---	---
Residential	104,830	n.a.	918	982	1,157	n.a.	22.1	26.0	---	---
Farms	7,919	n.a.	192	197	206	n.a.	9.6	7.6	---	---
Other	70,851	n.a.	1,070	1,131	1,278	n.a.	17.0	19.4	---	---
Farms, excluding real estate	25,440	n.a.	276	266	251	n.a.	9.5	-9.0	---	---
Other	64,581	n.a.	483	409	459	n.a.	7.9	-5.0	---	---
Total deposits	911,772	n.a.	11,701	11,697	12,658	n.a.	9.3	8.2	---	---
Demand	344,245	n.a.	4,490	4,134	4,721	n.a.	5.6	5.1	---	---
Time and savings	567,527	n.a.	7,211	7,563	7,936	n.a.	11.9	10.1	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 14.3 percent (\$1.1 billion) in Alabama from 1977:IV to 1978:IV versus 15.6 percent nationally (table 5). In 1978:IV, bank loans totaled \$9.0 billion in the State. Loans to individuals increased 15.1 percent, 3.6 percentage points less than nationally. In contrast, commercial and industrial loans increased 13.8 percent versus 13.3 percent nationally, and real estate loans increased 21.2 percent

versus 19.6 percent nationally. Farm loans (excluding real estate) declined 9.0 percent from year to year, one of the largest declines in the Nation, compared with a national increase of 9.5 percent.

Total deposits increased 8.2 percent (\$957 million) from 1977:IV to 1978:IV, 1.1 percentage points less than nationally. In 1978:IV, Alabama's bank deposits totaled \$12.7 billion. Time and savings deposits increased 10.1 percent from year to year, 1.8 percentage points less than nationally, and demand deposits increased 5.1 percent, 0.5 percentage point less than nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts declined 16.2 percent (\$133.3 million), to \$689.8 million (table 6). Alabama's decline was the largest in the Southeast region and compared unfavorably with a national increase of 19.8 percent. In 1978:I, a \$243 million contract for the construction of an electric generating plant in Jefferson County raised the State's total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If this contract is excluded, the total valuation of contracts in Alabama would have increased 18.9 percent, only 0.9 percentage point less than nationally.

National construction costs increased about 14 percent from 1978:I to 1979:I, and if this national increase is representative of the cost increase throughout the State, the real decline in the total valuation of contracts in Alabama was about 30 percent (including the Jefferson County contract) versus a real increase in the Nation of about 6 percent.

Primarily reflecting the electric generating plant contract, nonbuilding contracts declined 65.1 percent (\$197.5 million) in valuation, compared with a 23.7-percent national increase. Alabama's percentage decline was one of the largest in the Nation. In sharp contrast, the valuation of street and highway contracts, a major component of nonbuilding contracts, increased 135.3 percent (\$28.1 million), or well over twice the national increase.

The valuation of residential housekeeping contracts declined 8.9 percent (\$26.9 million) from year to year versus an 11.8-percent national increase. Similarly, the number of dwelling units started in the State declined 16.8 percent (1,877 units), to 9,279, compared with a national increase of 2.6 percent. Both State declines were among the largest in the Nation. In contrast, the valuation of contracts for additions and alterations to residential housekeeping units in Alabama increased 28.6 percent (\$27.5 million), 10.7 percentage points more than nationally.

Nonresidential contracts increased 78.8 percent in valuation (\$80.7 million), well over two-and-one-half times the national increase.

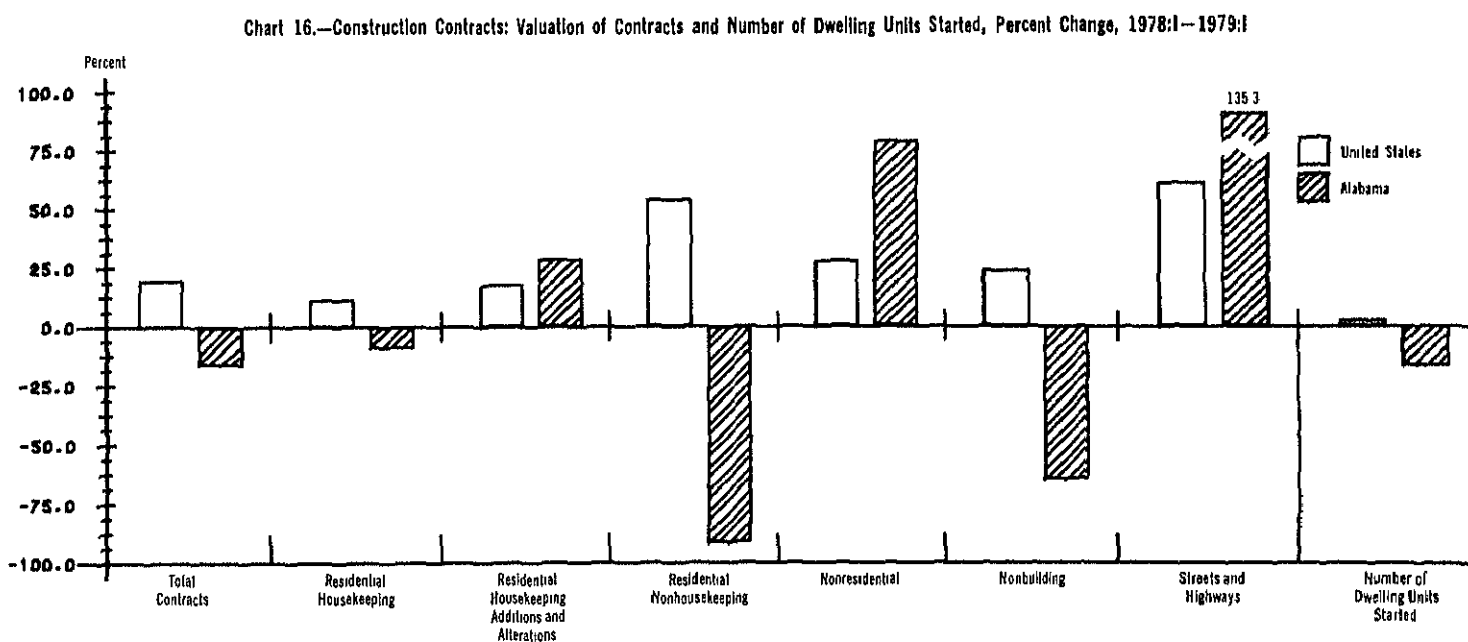
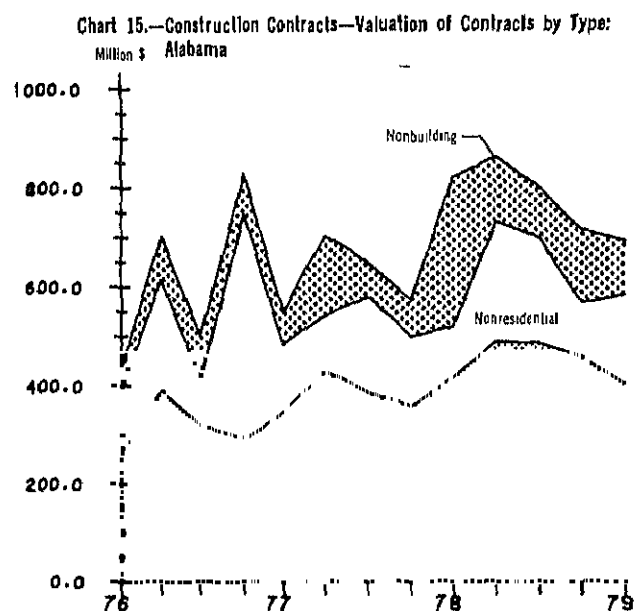
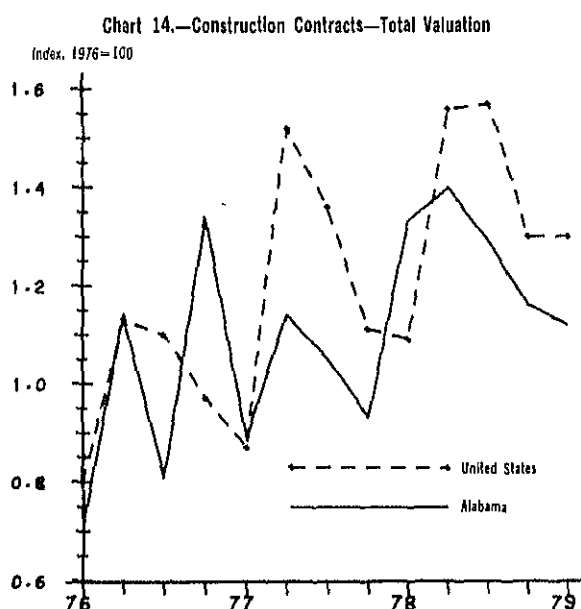


TABLE 6.—Construction Contracts, United States and Alabama¹

	United States		Alabama				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV-- 1978 IV		1978 I-- 1979 I	
	Not seasonally adjusted						Percent change ⁷			
Total valuation of contracts	38,107,230	45,638,147	571,553	823,070	712,510	689,783	16.8	24.7	19.8	-16.2
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5 904 299	6,962,771	113,650	96,190	145,678	123,711	14.6	28.2	17.9	28.6
All other contracts										
Number of contracts	53,028	53,454	976	887	906	837	-9.3	-7.2	8	-5.6
Valuation (thousands of dollars)	32,202,931	38,675,376	457,903	726,880	566,832	566,072	17.3	23.8	20.1	-22.1
Floor area (thousands of square feet)	807,538	904,811	17,444	19,025	18,253	18,612	10.3	4.6	12.0	-2.2
Residential housekeeping										
Number of contracts	13,592	14,399	259	259	273	263	-4.3	5.4	5.9	1.5
Number of dwelling units	404,171	414,826	8,951	11,156	9,245	9,279	-2	3.3	2.6	-16.8
Valuation (thousands of dollars)	13,806,696	15,431,523	242,499	302,305	296,773	275,413	15.6	22.4	11.8	-8.9
Floor area (thousands of square feet)	546,445	571,860	12,339	15,122	13,840	13,332	10.7	12.2	4.7	-11.8
Residential nonhousekeeping										
Number of contracts	441	464	2	4	4	3	-4	100.0	5.2	-25.0
Valuation (thousands of dollars)	327,201	504,158	1,097	18,651	14,165	1,550	54.9	***	54.1	-91.7
Floor area (thousands of square feet)	8,179	11,483	51	383	304	6	34.7	490.9	40.4	-98.3
Nonresidential										
Number of contracts	25,282	23,514	498	423	393	390	-12.0	-21.1	-7.0	-7.8
Valuation (thousands of dollars)	9,056,146	11,595,243	141,073	102,410	110,025	183,106	16.3	-22.0	28.0	78.8
Floor area (thousands of square feet)	252,915	321,468	5,054	3,521	4,109	5,274	8.7	-18.7	27.1	49.8
Nonbuilding										
Number of contracts	13,713	15,077	217	201	236	181	-9.1	8.8	9.9	-10.0
Valuation (thousands of dollars)	9,012,888	11,144,452	73,234	303,514	145,869	106,003	20.6	99.2	23.7	-65.1
Streets and Highways										
Number of contracts	3,989	4,750	65	63	70	52	-17.8	7.7	19.1	-17.5
Valuation (thousands of dollars)	1,399,453	2,255,221	35,470	20,761	76,607	48,841	-18.1	116.0	61.2	135.3

***Percent change greater than 999.9

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales data for Alabama are not available.

TABLE 7.—Retail Sales, United States and Alabama

	United States		Alabama				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Alabama

	United States		Alabama				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978-IV	1979 I	1977 IV— 1978-IV		1978.I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations.	115,247	n.a.	945	1,263	1,150	n.a.	13.2	21.7	---	---
Total number of business failures	1,729	n.a.	20	31	19	n.a.	-4.9	-5.0	---	---
Current liabilities (thousands of dollars)	697,734	n.a	5,111	5,339	4,088	n.a	13.7	-20.0	---	---
Average liability per failure (thousands of dollars)	404	n.a	256	172	215	n.a.	19.4	-16.0	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	1	9	1	n.a.	6.0	.0	---	---
Construction	279	n.a.	5	6	10	n.a.	-8.2	100.0	---	---
Wholesale trade	205	n.a.	3	3	2	n.a.	-6.3	-33.3	---	---
Retail trade	769	n.a	5	12	6	n.a.	-4	20.0	---	---
Commercial services	205	n.a	6	1	1	n.a	-23.5	-83.3	---	---



Highlights

1978:I to 1979:I

Personal income

- Up 2.7% vs. 12.6% in U.S., to \$4.6 billion
- Construction payrolls down 32.3% vs. 21.3% gain in U.S.
- Mining payrolls up 34.7% vs. 59.5% in U.S.

Consumer prices

- Up 10.0% in Anchorage vs. 9.9% in U.S.

Employment

- Up 3.5% vs. 3.8% in U.S., to 155,000

Unemployment

- Down 1,000, to 20,000
- Rate down 0.6 percentage point, to 11.6% of labor force, highest rate in Nation

Construction

- Total valuation of contracts up 17.7% vs. 19.8% in U.S., to \$104 million
- Valuation of nonresidential contracts down 17.9% vs. 28.0% gain in U.S., to \$29 million
- Number of dwelling-unit starts up 22.3% vs. 2.6% in U.S., to 801

TABLE 1.—Summary of Economic Indicators, United States and Alaska

	United States		Alaska			U S	State	U S	State
	1978 I	1979:I	1977 IV	1978 I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change		
Total personal income (millions of dollars) ...	1,624,665	1,829,515	4,303	4,432	4,451	4,553	12.6	3.4	12.6 2.7
Total wages and salaries (millions of dollars) ..	1,042,716	1,176,598	3,677	3,761	3,672	3,793	12.6	- 2	12.8 9
Civilian employment (thousands)	91,401	94,901	153	150	156	155	3.9	1.7	3.8 3.5
Unemployment (thousands)	6,705	6,360	16	21	19	20	-8.8	21.8	-5.1 -2.5
Percent unemployed (unemployment/labor force).....	6.8	6.3	9.3	12.2	10.9	11.6	---	---	---
Total loans (millions of dollars)	619,218	n.a.	1,041	1,058	1,120	n.a.	15.6	7.6	---
Total deposits (millions of dollars)	911,772	n.a.	1,519	1,469	1,570	n.a.	9.3	3.4	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	107,343	88,245	115,561	103,832	16.8	7.7	19.8 17.7
Dwelling units started (number)	404,171	414,826	620	655	833	801	- .2	34.4	2.6 22.3
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8 ---
New business incorporations (number)....	115,247	n.a.	332	362	350	n.a.	13.2	5.4	---
Business failures (number)	1,729	n.a.	1	1	0	n.a.	-4.9	---	---
Consumer Price Index (1967=100).									
U.S. city average.....	188.4	207.0	---	---	---	---	8.9	---	9.9 ---
Anchorage	---	---	---	180.8	194.8	198.9	---	---	---

n.a.: Data not available.

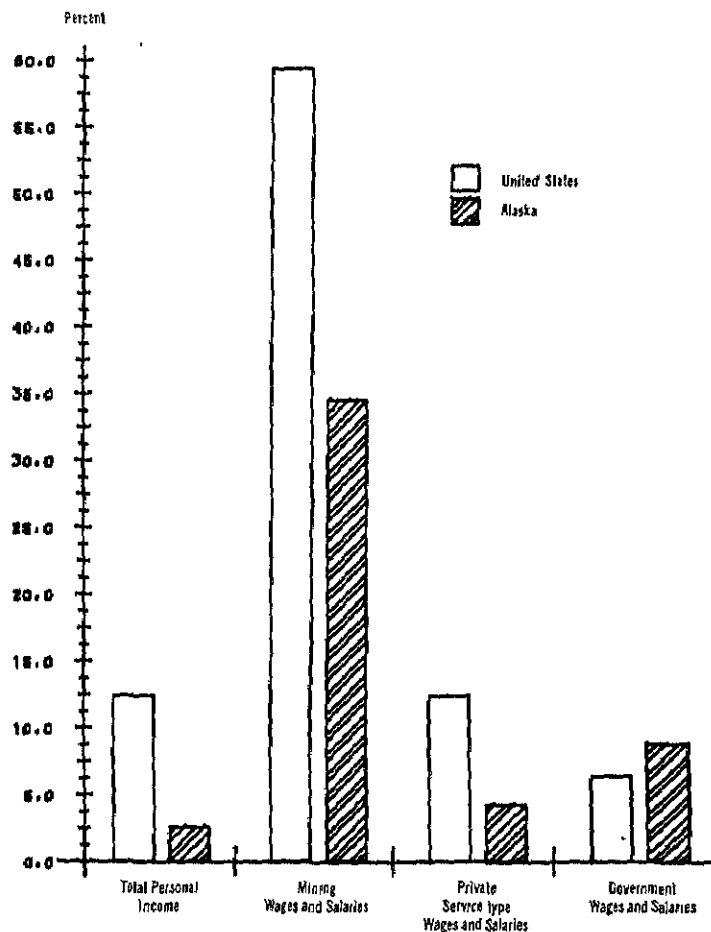
Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Alaska increased 2.7 percent from 1978:I to 1979:I (table 2). The State's gain lagged the Nation's by almost 10.0 percentage points and was the smallest gain registered among all States. In 1979:I, Alaska's personal income totaled \$4.6 billion, up \$121 million since 1978:I. During this timespan, consumer prices in the Anchorage metropolitan area increased 10.0 percent, slightly more than the national increase of 9.9 percent (table 3). If the increase in Anchorage is used as an indicator for price increases throughout the State, real personal income in Alaska declined more than 7.0 percent from year to year versus a real increase of 2.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 0.9 percentage point, the smallest gain among all States. In all of Alaska's major private industries except mining and services, the change in payrolls ranked last among all States. Construction payrolls declined by almost one-third, the largest payroll decline in the State, to \$422 million. Both manufacturing components registered payroll declines; durables payrolls declined 12.2 percent versus a gain of 16.2 percent nationally, and nondurables payrolls declined 5.4 percent versus a gain of 9.9 percent nationally.

Two of the State's four major private service-type industries registered payroll declines of about 1.0 percent. Transportation-communication-public utilities payrolls declined to \$428 million, and finance-insurance-real estate payrolls declined to \$146 million. Trade payrolls increased 7.2 percent, lagging the Nation's 13.7-percent gain, to \$451 million. Services payrolls increased 8.9 percent, lagging the Nation's 11.7-percent gain, to \$510 million.

Mining payrolls increased 34.7 percent, Alaska's largest payroll gain from year to year. The State's gain lagged the Nation's 59.5-percent gain; the latter gain reflected the return to work of coal miners in major coal mining States following a strike in late 1977 and early 1978.

Both government components in Alaska registered payroll gains that led those of national counterparts. State and local payrolls increased 9.3 percent, to \$629 million, and Federal payrolls increased 8.7 percent, to \$699 million.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

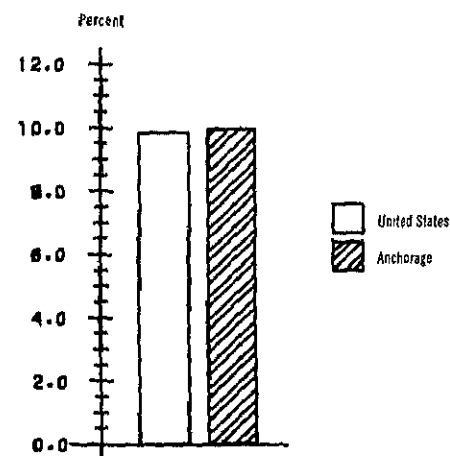


Chart 3.—Total Personal Income

[Seasonally adjusted]

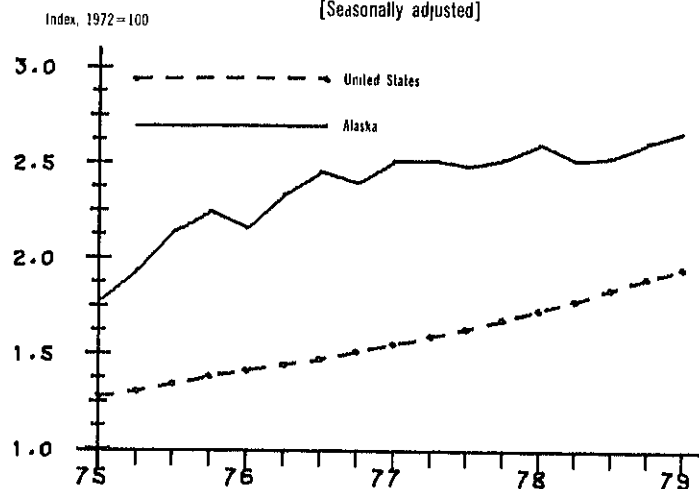


Chart 4.—Industrial Composition of Wages and Salaries

[Seasonally adjusted]

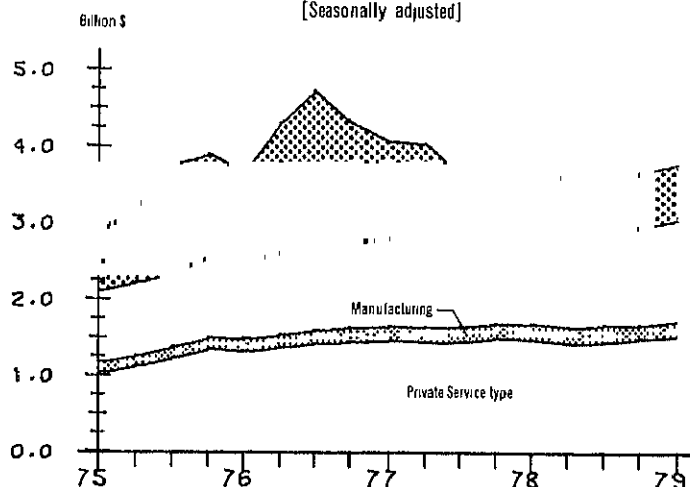


TABLE 2.—Personal Income, United States and Alaska

	United States		Alaska				U S	State	U S	State
	1978 I	1979: I	1977 IV	1978: I	1978 IV	1979 I	1977: IV— 1978: IV	1978: I— 1979: I		
	Millions of dollars, seasonally adjusted at annual rates¹						Percent change²			
Total personal income	1,624,665	1,829,515	4,303	4,432	4,451	4,553	12.6	3.4	12.6	2.7
Farm personal income	32,083	40,141	5	6	7	8	26.3	27.8	25.1	41.2
Nonfarm personal income	1,592,582	1,789,374	4,298	4,427	4,444	4,545	12.3	3.4	12.4	2.7
Total personal income	1,624,665	1,829,515	4,303	4,432	4,451	4,553	12.6	3.4	12.6	2.7
Wage and salary disbursements	1,042,716	1,176,598	3,677	3,761	3,672	3,793	12.6	-2	12.8	9
Other labor income	99,957	115,833	268	280	268	279	16.4	.3	15.9	-2
Proprietors' income	108,808	126,535	205	217	216	221	18.9	5.3	16.3	1.9
Farm	24,448	31,221	3	3	4	5	31.3	44.6	27.7	61.6
Nonfarm	84,360	95,314	203	214	212	216	15.3	4.8	13.0	1.1
Dividends, interest, and rent..	221,191	250,595	337	351	397	415	12.8	17.7	13.3	18.1
Transfer payments	219,202	238,794	359	332	369	344	8.2	2.6	8.9	3.5
State unemployment insurance benefits	9,997	8,023	94	61	72	40	-30.3	-23.7	-19.7	-33.7
Less personal contributions	66,792	78,351	258	277	252	275	15.1	-2.5	17.3	-6
Plus residence adjustment	-417	-489	-285	-232	-219	-225	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	3,677	3,761	3,672	3,793	12.6	-2	12.8	9
Farm	7,215	8,422	2	2	2	3	10.6	10.0	16.7	16.3
Nonfarm	1,035,501	1,168,176	3,675	3,759	3,669	3,791	12.6	-2	12.8	.8
Mining	12,013	19,166	181	203	267	274	33.9	47.5	59.5	34.7
Construction	56,564	68,593	567	623	402	422	20.1	-29.0	21.3	-32.3
Manufacturing	285,735	325,636	194	212	184	196	13.3	-4.9	14.0	-7.4
Durable goods	182,321	211,944	63	63	46	55	15.2	-27.0	16.2	-12.2
Nondurable goods	103,414	113,692	130	149	138	141	10.0	5.9	9.9	-5.4
Private service type	473,132	532,823	1,495	1,470	1,495	1,535	13.1	0	12.6	4.4
Transportation, communication, and public utilities	79,598	88,755	433	433	400	428	11.3	-7.7	11.5	-1.1
Wholesale and retail trade	177,331	201,608	424	420	431	451	14.1	1.6	13.7	7.2
Finance, insurance, and real estate	55,930	63,373	138	148	145	146	13.2	5.3	13.3	-1.2
Services	160,273	179,087	500	469	519	510	12.7	3.9	11.7	8.9
Government	204,558	218,008	1,209	1,218	1,287	1,327	6.9	6.5	6.6	9.0
Federal	68,698	73,916	644	643	670	699	7.1	4.1	7.6	8.7
State and local	135,860	144,092	565	575	617	629	6.8	9.2	6.1	9.3
Other	3,499	3,950	30	32	33	36	14.6	12.4	12.9	11.6

1 Detail may not add to totals because of rounding.

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Alaska¹

	United States		Alaska				U.S.	State	U.S.	State
	1978:I	1978:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV		1978:I-- 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
	U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9
Anchorage	---	---	---	180.8	194.8	198.9	---	---	---	10.0

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Alaska's civilian labor force increased 2.7 percent, one-half of a percentage point below the Nation's advance (table 4). Total employment increased 3.5 percent (from 150,000 to 155,000), 0.3 percentage point below the national average advance of 3.8 percent.

With employment increasing by 5,000 and the labor force increasing by 4,000, the number of unemployed declined by 1,000. The unemployment rate declined 0.6 percentage point, to 11.6 percent of the labor force in 1979:I. The State's unemployment rate was the highest in the Nation and was well above the national average 6.3-percent rate.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Alaska

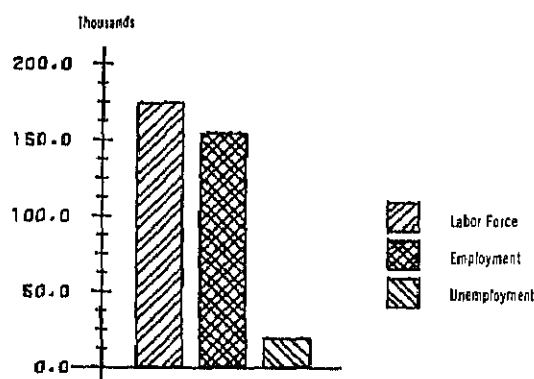


Chart 6.—Unemployment Rates, 1978:I—1979:I

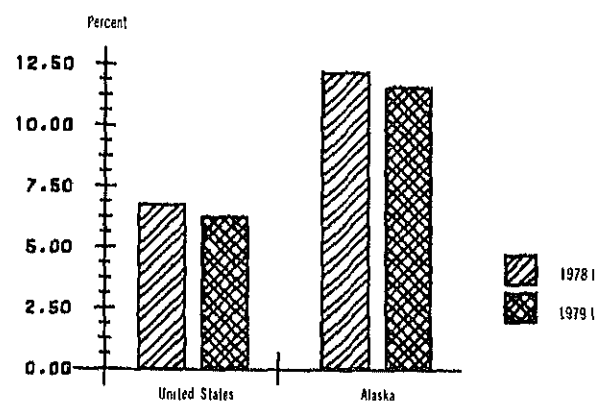


TABLE 4.—Labor Force, United States and Alaska

	United States		Alaska				U S	State	U S	State
	1978:I	1979 I	1977 IV	1978:I	1978:IV	1979:I	1977-IV- 1978-IV		1978:I- 1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	160	153	161	154	4.2	.6	2.9	.1
Mining	730	896	5	5	5	6	14.4	10.4	22.7	3.7
Construction	3,784	3,973	15	10	11	7	11.2	-28.1	5.0	-28.2
Manufacturing	20,064	20,652	10	9	10	8	3.6	2.1	2.9	-4.5
Transportation, communication, and public utilities	4,779	4,943	17	16	16	15	4.4	-6.5	3.4	-6
Wholesale and retail trade	18,937	19,549	29	27	29	27	4.5	-1.0	3.2	4
Finance, insurance, and real estate	4,601	4,790	7	9	8	7	5.2	20.0	4.1	-12.9
Services	15,758	16,149	27	26	27	27	4.4	3.0	2.5	1.5
Government	15,435	15,648	51	52	55	56	1.4	7.6	1.4	7.7
Civilian labor force ³	98,106	101,260	169	170	175	175	3.1	3.6	3.2	2.7
Total employed	91,401	94,901	153	150	156	155	3.9	1.7	3.8	3.5
Total unemployed	6,705	6,360	16	21	19	20	-8.8	21.8	-5.1	-2.5
Percent unemployed	6.8	6.3	9.3	12.2	10.9	11.6	---	---	---	---

¹ Detail may not add to totals because of rounding

² Based on unrounded data

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

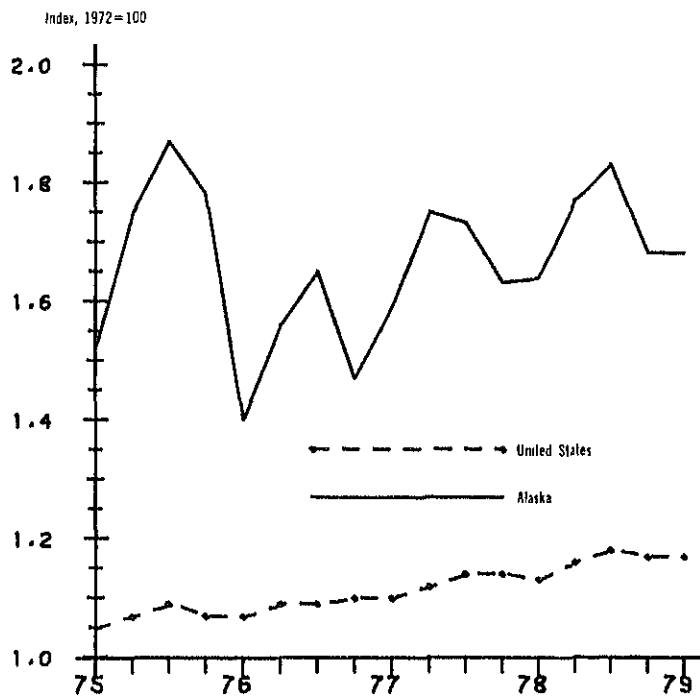


Chart 8.—Civilian Employment

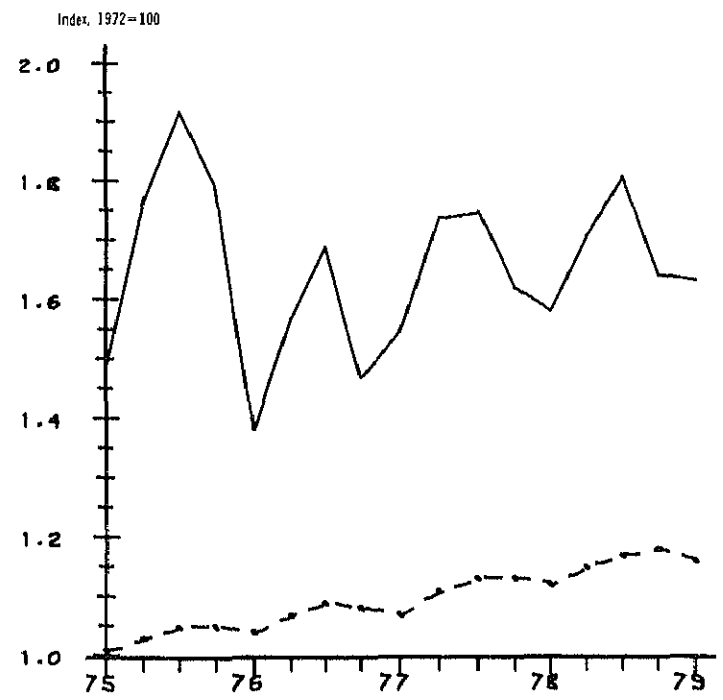


Chart 9.—Unemployment Rate

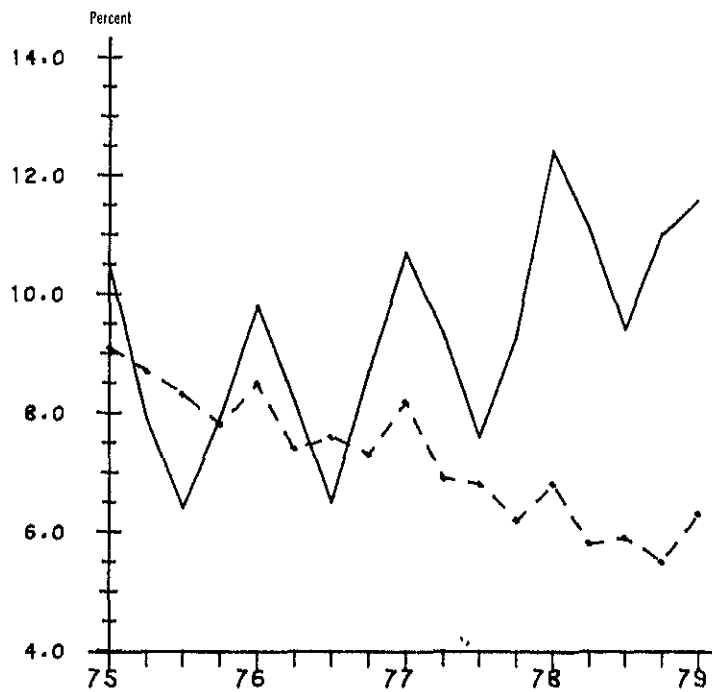
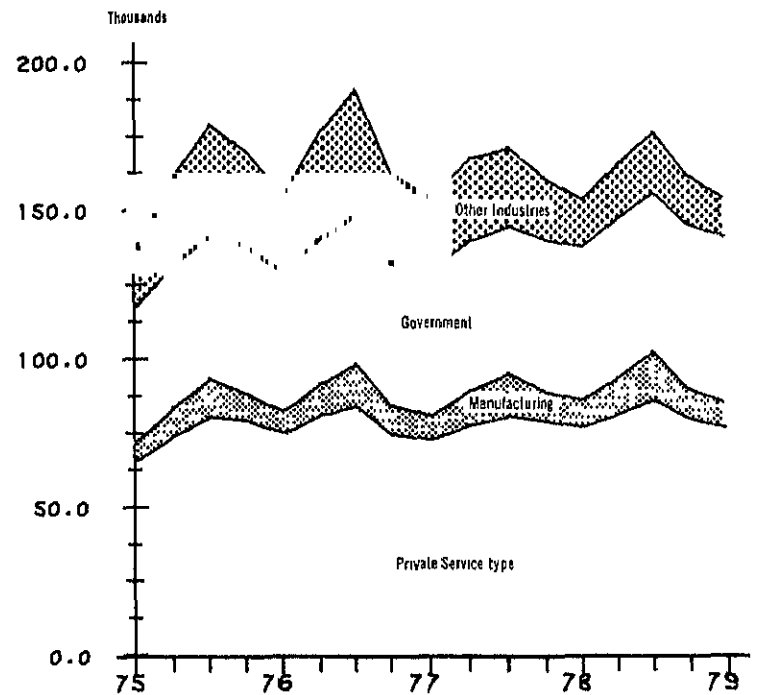


Chart 10.—Industrial Composition of Nonagricultural Employment: Alaska



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Alaska

	United States		Alaska				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977.IV— 1978.IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	1,041	1,058	1,120	n.a.	15.6	7.6	---	---
Commercial and industrial	202,241	n.a.	299	340	366	n.a.	13.3	22.4	---	---
Loans to individuals	143,356	n.a.	285	271	290	n.a.	18.7	1.8	---	---
Real estate	183,599	n.a.	446	438	457	n.a.	19.6	2.4	---	---
Residential	104,830	n.a.	214	221	220	n.a.	22.1	3.2	---	---
Farms	7,919	n.a.	0	0	0	n.a.	9.6	-68.9	---	---
Other	70,851	n.a.	232	218	236	n.a.	17.0	1.7	---	---
Farms, excluding real estate	25,440	n.a.	0	0	0	n.a.	9.5	55.9	---	---
Other	64,581	n.a.	12	8	8	n.a.	7.9	-32.6	---	---
Total deposits	911,772	n.a.	1,519	1,469	1,570	n.a.	9.3	3.4	---	---
Demand	344,245	n.a.	726	661	704	n.a.	5.6	-3.0	---	---
Time and savings	567,527	n.a.	793	808	866	n.a.	11.9	9.2	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans rose 7.6 percent in Alaska from 1977:IV to 1978:IV, to \$1.1 billion (table 5). The increase was the smallest among all States and lagged the national increase by 8 percentage points. Both loans to individuals and real estate loans rose about 2.0 percent; the increases were far less than those of national counterparts and were the smallest increases among all States. Commercial and industrial loans, in

contrast, rose 22.4 percent, an increase over 9 percentage points more than the Nation's and the second largest increase (after Kentucky's) among all States.

Total deposits rose 3.4 percent, lagging the 9.3-percent national average increase and ranking 50th among all States. Time and savings deposits increased 9.2 percent, to \$866 million. Demand deposits declined 3.0 percent from the level a year previous, to \$704 million, the only other State that registered a decline was Massachusetts.

Construction

From 1978:I to 1979:I, the total valuation of contracts rose 17.7 percent (to \$104 million), lagging the Nation's gain by slightly more than 2 percentage points (table 6). National construction costs rose about 14 percent during the same timespan; if this national rise reflects the cost rise throughout Alaska, the real valuation of contracts rose about 4 percent in the State and about 6 percent nationally.

The valuation of nonresidential contracts declined 17.9 percent, to \$29 million, one of the largest percentage declines registered among all States. Alaska's rate was in contrast to the Nation's 28.0-percent rise.

In sharp contrast, residential housekeeping contract valuation rose almost 40 percent from year to year, far outpacing the 11.8-percent gain nationally. Alaska's gain ranked 10th among all State gains and resulted in a level of \$35 million in 1979:I. The number of dwelling units started rose 22.3 percent, from 655 units in 1978:I to 801 units in 1979:I, leading the Nation's gain by 20 percentage points. Additions and alterations to residential housekeeping units rose 27.4 percent in valuation, to \$8.4 million, compared with 17.9 percent nationally.

Street and highway contracts, a major component of nonbuilding contracts, declined 85.2 percent in valuation; only 4 contracts totaling \$1.7 million were started in 1979:I, compared with 10 contracts totaling \$11.8 million in 1978:I. Alaska's percentage decline was the largest in the Nation and contrasted with a 61.2-percent gain nationally. Despite Alaska's sharp decline in the valuation of street and highway contracts, nonbuilding contracts rose 30.4 percent in valuation, to \$28 million, leading the Nation's gain by almost 7 percentage points.

In 1979:I, the residential nonhousekeeping market registered three contracts with a total valuation of \$3.5 million, compared with no contracts in 1978:I. Nationally, residential nonhousekeeping contracts increased 54.1 percent in valuation from year to year.

Chart 14.—Construction Contracts—Total Valuation

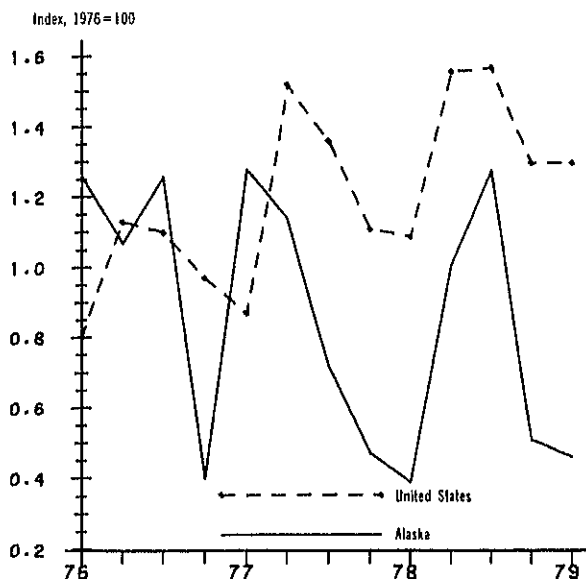


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Alaska

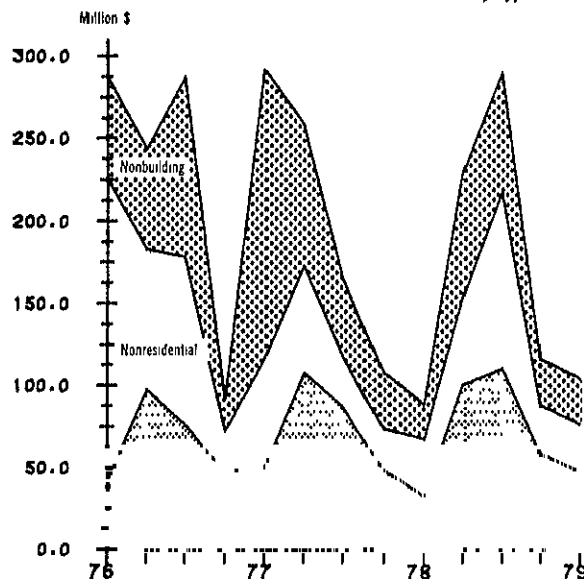


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

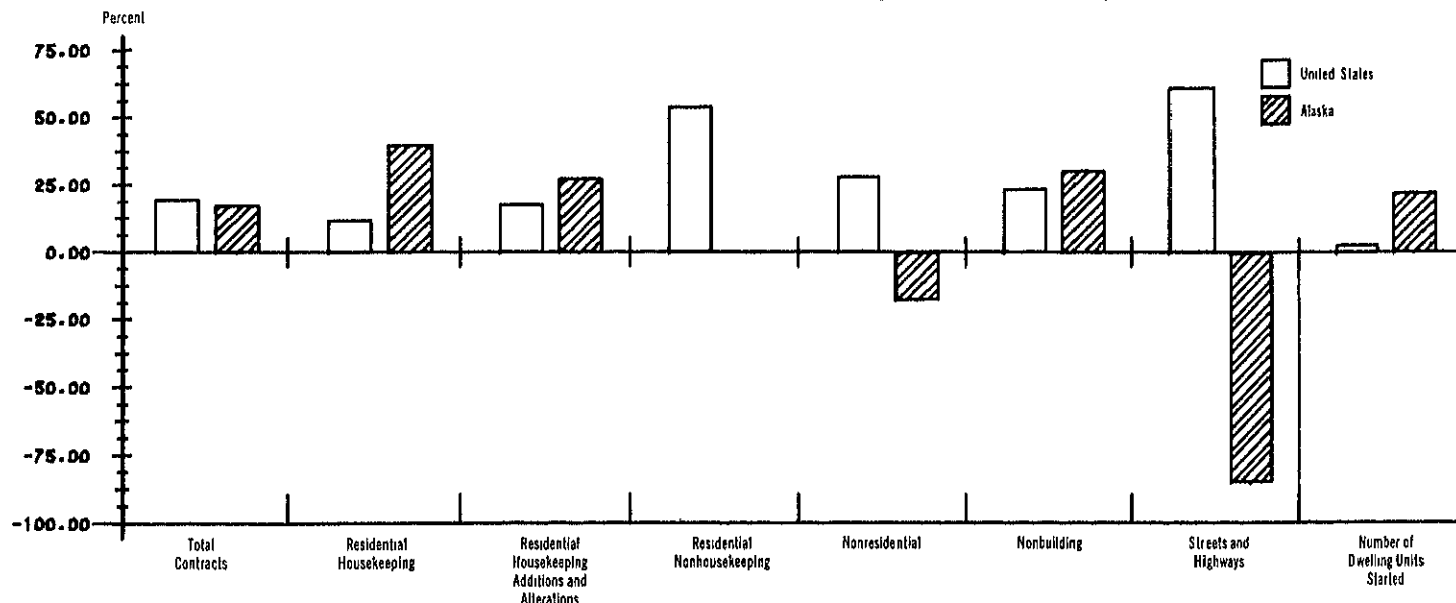


TABLE 6.—Construction Contracts, United States and Alaska¹

	United States		Alaska				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	107,343	88,245	115,561	103,832	16.8	7.7	19.8	17.7
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	8,246	6,566	10,843	8,366	14.6	31.5	17.9	27.4
All other contracts										
Number of contracts	53,028	53,454	204	154	187	179	-9.3	-8.3	.8	16.2
Valuation (thousands of dollars)	32,202,931	38,675,376	99,097	81,679	104,718	95,466	17.3	5.7	20.1	16.9
Floor area (thousands of square feet)	807,538	904,811	1,231	1,260	1,528	1,339	10.3	24.1	12.0	6.3
Residential housekeeping										
Number of contracts	13,592	14,399	62	41	98	95	-4.3	58.1	5.9	131.7
Number of dwelling units	404,171	414,826	620	655	833	801	-2	34.4	2.6	22.3
Valuation (thousands of dollars)	13,806,696	15,431,523	29,143	25,373	46,600	35,478	15.6	59.9	11.8	39.8
Floor area (thousands of square feet)	546,445	571,860	705	714	1,111	809	10.7	57.6	4.7	13.3
Residential nonhousekeeping										
Number of contracts	441	464	4	0	2	3	-4	-50.0	5.2	---
Valuation (thousands of dollars)	327,201	504,158	11,194	0	557	3,535	54.9	-95.0	54.1	---
Floor area (thousands of square feet)	8,179	11,483	165	0	0	14	34.7	---	40.4	---
Nonresidential										
Number of contracts	25,282	23,514	58	73	38	42	-12.0	-34.5	-7.0	-42.5
Valuation (thousands of dollars)	9,056,146	11,595,243	24,928	35,138	29,531	28,854	16.3	18.5	28.0	-17.9
Floor area (thousands of square feet)	252,915	321,468	361	546	417	516	8.7	15.5	27.1	-5.5
Nonbuilding										
Number of contracts	13,713	15,077	80	40	49	39	-9.1	-38.7	9.9	-2.5
Valuation (thousands of dollars)	9,012,888	11,144,452	33,832	21,168	28,030	27,599	20.6	-17.1	23.7	30.4
Streets and Highways										
Number of contracts	3,989	4,750	22	10	8	4	-17.8	-63.6	19.1	-60.0
Valuation (thousands of dollars)	1,399,453	2,255,221	14,364	11,756	10,622	1,745	-18.1	-26.1	61.2	-85.2

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw Hill Information Systems Company.
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales data for Alaska are not available.

TABLE 7.—Retail Sales, United States and Alaska

	United States		Alaska				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Alaska

	United States		Alaska				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	332	362	350	n.a.	13.2	5.4	---	---
Total number of business failures	1,729	n.a.	1	1	0	n.a.	-4.9	---	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	255	10	0	n.a.	13.7	---	---	---
Average liability per failure (thousands of dollars)	404	n.a.	255	10	0	n.a.	19.4	---	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	0	0	n.a.	6.0	---	---	---
Construction	279	n.a.	0	0	0	n.a.	-8.2	---	---	---
Wholesale trade	285	n.a.	0	0	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	0	1	0	n.a.	-4	---	---	---
Commercial services	205	n.a.	0	0	0	n.a.	-23.5	---	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 18.1% vs. 12.6% in U.S., to \$19.3 billion
- Construction payrolls up 45.1% vs. 21.3% in U.S.
- Manufacturing payrolls up 23.7% vs. 14.0% in U.S.

Employment

- Up 6.8% vs. 3.8% in U.S., to 977,000

Unemployment

- Down 4,000, to 64,000
- Rate down 0.7 percentage point, to 6.2% of labor force vs. 6.3% in U.S.

Construction

- Total valuation of contracts up 27.2% vs. 19.8% in U.S., to \$928 million
- Valuation of contracts for additions and alterations to residential housekeeping up 38.5% vs. 17.9% in U.S., to \$86 million
- Number of dwelling-unit starts up 29.5% vs. 2.6% in U.S., to 17,506

TABLE 1.—Summary of Economic Indicators, United States and Arizona

	United States		Arizona				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
All indicators, except income not seasonally adjusted							Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	15,680	16 336	18,420	19,285	12.6	17.5	12 6	18.1
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	9,886	10,310	11,724	12,334	12 6	18 6	12 8	19.6
Civilian employment (thousands)	91,401	94,901	922	915	971	977	3.9	5 3	3.8	6 8
Unemployment (thousands)	6,705	6,360	71	68	56	64	-8.8	-21.3	-5.1	-5 6
Percent unemployed (unemployment/labor force)	6.8	6.3	7 1	6.9	5.4	6 2	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	5,417	5,520	6,670	n.a.	15.6	23.1	---	---
Total deposits (millions of dollars)	911,772	n.a.	7,601	7,665	8,868	n.a.	9.3	16 7	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	586,644	729,658	891,137	928,299	16 8	51.9	19.8	27 2
Dwelling units started (number)	404,171	414,826	10,498	13,522	13,523	17,506	- 2	28.8	2.6	29.5
Total retail sales (millions of dollars)	167,940	194,529	n.a	n.a.	n.a	n.a.	11.2	---	15 8	---
New business incorporations (number)	115,247	n.a.	1,700	1,777	1,933	n.a.	13.2	13.7	---	---
Business failures (number)	1,729	n.a	15	15	18	n.a.	-4.9	20 0	---	---
Consumer Price Index (1967=100): U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n.a.: Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Arizona increased 18.1 percent from 1978:I to 1979:I, far outpacing the Nation's 12.6-percent increase. The State's gain ranked third in the Nation; only Wyoming and West Virginia registered larger gains (table 2). In 1979:I, Arizona's personal income totaled \$19.3 billion, up \$2.9 billion since 1978:I.

Reflecting strong increases in all major industries, wage and salary disbursements (payrolls) increased 19.6 percent versus 12.8 percent nationally. Construction payrolls increased 45.1 percent, leading all Arizona payroll gains and ranking first among all construction payroll gains nationally. From 1978:I to 1979:I, all four private service-type industries registered payroll gains that were among the largest in the Nation. Reflecting the effects of increased tourism (mainly air arrivals) and the effects of a booming construction industry, transportation-

communication-public utilities payrolls increased 24.0 percent, a gain more than twice the national average. Finance-insurance-real estate payrolls increased 19.7 percent, comparing favorably with the Nation's 13.3-percent gain. Trade payrolls increased 17.8 percent, 4.0 percentage points above the Nation's gain. Services payrolls increased 17.2 percent, comparing favorably with an 11.7-percent gain nationally.

Manufacturing payrolls increased 23.7 percent, outpacing the Nation's gain by almost 10 percentage points. The State's gain from year to year was exceeded only by gains in Utah and Kansas. Federal Government payrolls increased 11.9 percent, one of the largest increases in the Nation, to \$1.0 billion. State and local government payrolls increased 6.3 percent, the smallest gain among the State's major industries, compared with 6.1 percent nationally.

Reflecting strong gains in mining production and sales (particularly copper), mining payrolls increased 32.9 percent from year to year. Although Arizona's increase was high, it was far below the Nation's gain of almost 60 percent. Nationally, the return to work of coal miners following a strike in late 1977 and early 1978 helped push 1979:I mining payrolls in eight major coal mining States to over twice their 1978:I levels.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

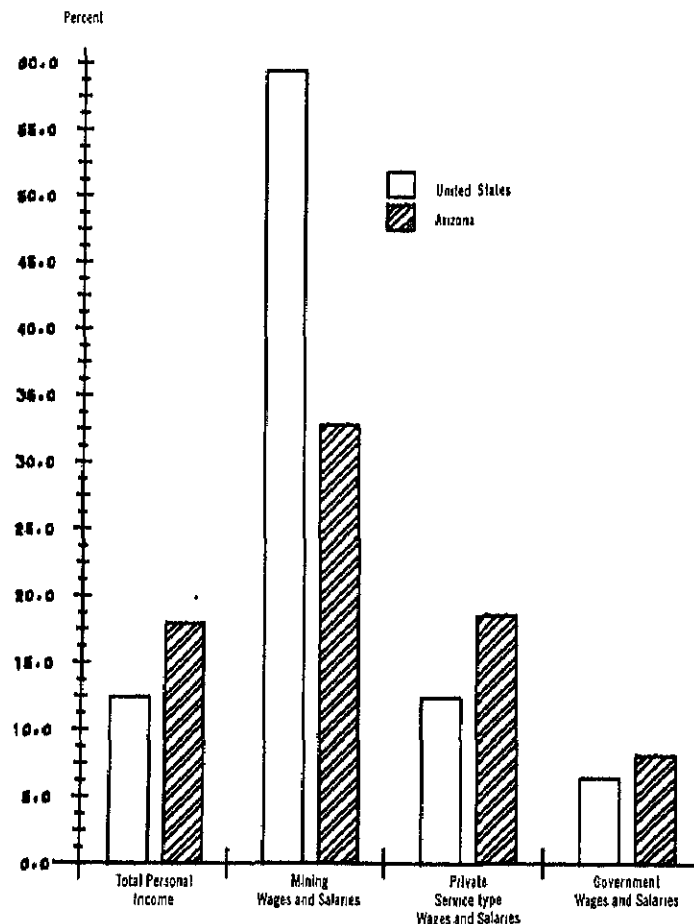


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

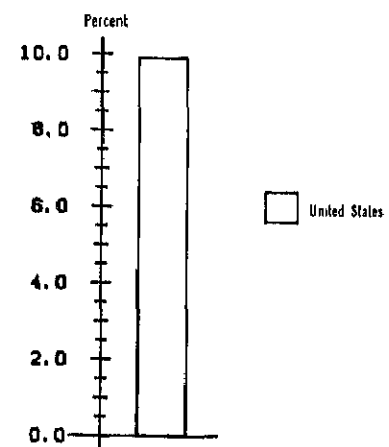


Chart 3.—Total Personal Income

[Seasonally adjusted]

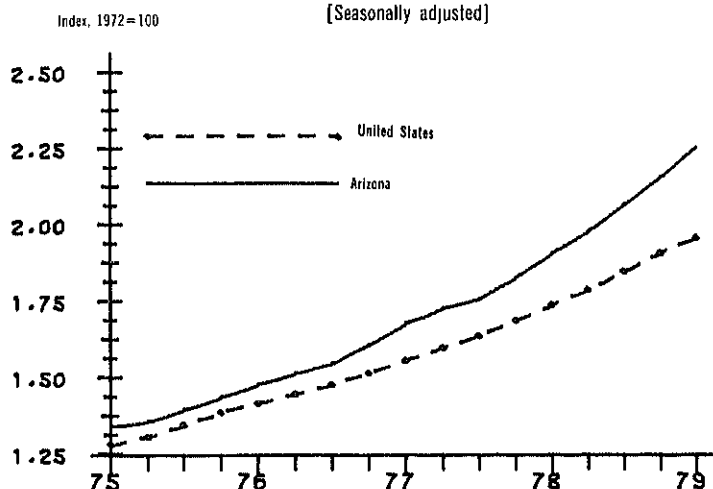


Chart 4.—Industrial Composition of Wages and Salaries

[Seasonally adjusted]

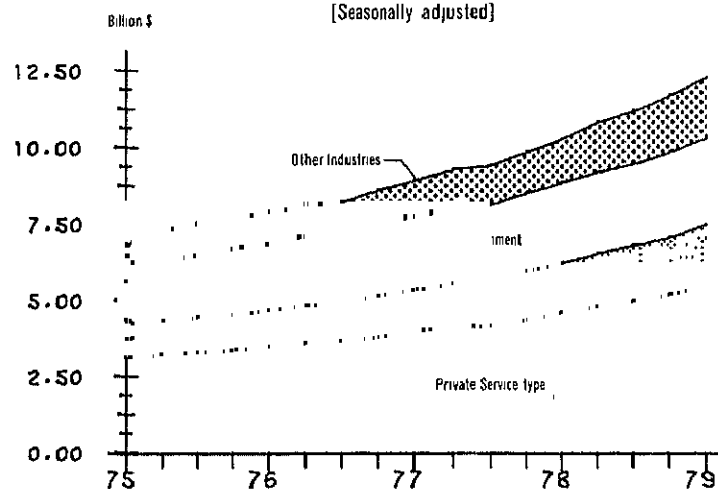


TABLE 2.—Personal Income, United States and Arizona

	United States		Arizona				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978 I	1978.IV	1979 I	1977 IV-- 1978-IV		1978 I-- 1979-I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	15,680	16,336	18,420	19,285	12.6	17.5	12.6	18.1
Farm personal income	32,083	40,141	302	392	446	550	26.3	47.7	25.1	40.4
Nonfarm personal income	1,592,582	1,789,374	15,378	15,944	17,974	18,735	12.3	16.9	12.4	17.5
Total personal income	1,624,665	1,829,515	15,680	16,336	18,420	19,285	12.6	17.5	12.6	18.1
Wage and salary disbursements	1,042,716	1,176,598	9,886	10,310	11,724	12,334	12.6	18.6	12.8	19.6
Other labor income	99,957	115,833	884	921	1,083	1,147	16.4	22.5	15.9	24.5
Proprietors' income	108,808	126,535	776	886	1,017	1,120	18.9	31.0	16.3	26.4
Farm	24,448	31,221	171	261	302	398	31.3	76.6	27.7	52.7
Nonfarm	84,360	95,314	605	625	714	722	15.3	18.0	13.0	15.5
Dividends, interest, and rent	221,191	250,595	2,494	2,582	2,866	2,981	12.8	14.9	13.3	15.5
Transfer payments	219,202	238,794	2,242	2,291	2,472	2,534	8.2	10.3	8.9	10.6
State unemployment insurance benefits	9,997	8,023	48	44	30	35	-30.3	-37.2	-19.7	-21.4
Less personal contributions	66,792	78,351	574	624	705	791	15.1	23.0	17.3	26.6
Plus residence adjustment	-417	-489	-29	-29	-37	-40	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	9,886	10,310	11,724	12,334	12.6	18.6	12.8	19.6
Farm	7,215	8,422	127	128	140	148	10.6	9.8	16.7	15.8
Nonfarm	1,035,501	1,168,176	9,758	10,182	11,585	12,187	12.6	18.7	12.8	19.7
Mining	12,013	19,166	328	316	409	420	33.9	24.6	59.5	32.9
Construction	56,564	68,593	857	940	1,243	1,363	20.1	45.0	21.3	45.1
Manufacturing	285,735	325,636	1,616	1,640	1,894	2,028	13.3	17.2	14.0	23.7
Durable goods	182,321	211,944	1,301	1,316	1,530	1,647	15.2	17.6	16.2	25.1
Nondurable goods	103,414	113,692	315	323	364	381	10.0	15.6	9.9	17.9
Private service type	473,132	532,823	4,374	4,622	5,215	5,488	13.1	19.2	12.6	18.7
Transportation, communication, and public utilities	79,598	88,755	692	677	791	840	11.3	14.2	11.5	24.0
Wholesale and retail trade	177,331	201,608	1,685	1,836	2,050	2,163	14.1	21.6	13.7	17.8
Finance, insurance, and real estate	55,930	63,373	534	560	646	670	13.2	20.9	13.3	19.7
Services	160,273	179,087	1,462	1,549	1,728	1,815	12.7	18.2	11.7	17.2
Government	204,558	218,008	2,540	2,617	2,774	2,833	6.9	9.2	6.6	8.3
Federal	68,698	73,916	885	918	993	1,027	7.1	12.2	7.6	11.9
State and local	135,860	144,092	1,656	1,699	1,781	1,806	6.8	7.6	6.1	6.3
Other	3,499	3,950	44	48	50	54	14.6	15.0	12.9	13.2

1. Detail may not add to totals because of rounding.
2. Based on unrounded data

Source U S Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Arizona¹

	United States		Arizona				U S.	State	U S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I		
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source. U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Arizona's civilian labor force increased 5.9 percent, well above the Nation's 3.2-percent advance. Arizona's advance was exceeded by advances in only Wyoming and New Jersey (table 4). Total employment increased from 915,000 to 977,000, for a 6.8-percent advance that was 3 percentage points above the national average advance.

With employment increasing by 62,000 and the labor force increasing by 58,000, the number of unemployed declined by 4,000. The unemployment rate declined 0.7 percentage point, to 6.2 percent of the labor force.

While in 1978:I, Arizona's unemployment rate was just above the national rate, in 1979:I, it was 0.1 percentage point below.

Across the State, unemployment rates varied somewhat. According to preliminary data for March 1979, unemployment rates in the major metropolitan areas of Phoenix (Maricopa County) and Tucson (Pima County) were lower, at 4.8 percent, than the preliminary State rate of 5.8 percent. The unemployment rate outside of Maricopa and Pima Counties was 9.2 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Arizona

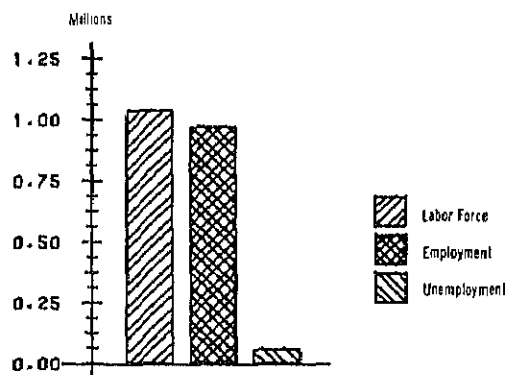


Chart 6.—Unemployment Rates, 1978:I—1979:I

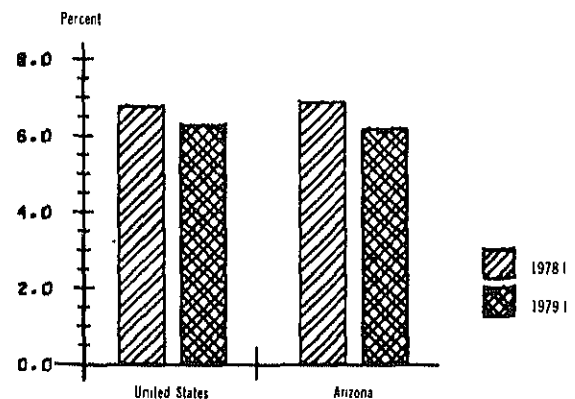


TABLE 4.—Labor Force, United States and Arizona

	United States		Arizona				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV—1978:IV	1978:I—1979:I	1977:IV—1978:IV	1978:I—1979:I
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	848	856	924	938	4.2	9.0	2.9	9.5
Mining	730	896	19	19	20	20	14.4	6.5	22.7	5.2
Construction	3,784	3,973	59	60	76	77	11.2	28.2	5.0	27.6
Manufacturing	20,064	20,652	118	119	131	134	3.6	10.8	2.9	12.7
Transportation, communication, and public utilities	4,779	4,943	43	42	46	47	4.4	8.2	3.4	11.3
Wholesale and retail trade	18,937	19,549	206	209	223	226	4.5	8.4	3.2	8.5
Finance, insurance, and real estate	4,601	4,790	47	48	51	52	5.2	7.6	4.1	7.1
Services	15,758	16,149	163	167	177	183	4.4	8.6	2.5	10.0
Government	15,435	15,648	192	192	200	198	1.4	3.8	1.4	3.3
Civilian labor force ³	98,106	101,260	993	983	1,027	1,041	3.1	3.4	3.2	5.9
Total employed	91,401	94,901	922	915	971	977	3.9	5.3	3.8	6.8
Total unemployed	6,705	6,360	71	68	56	64	-8.8	-21.3	-5.1	-5.6
Percent unemployed	6.8	6.3	7.1	6.9	5.4	6.2	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

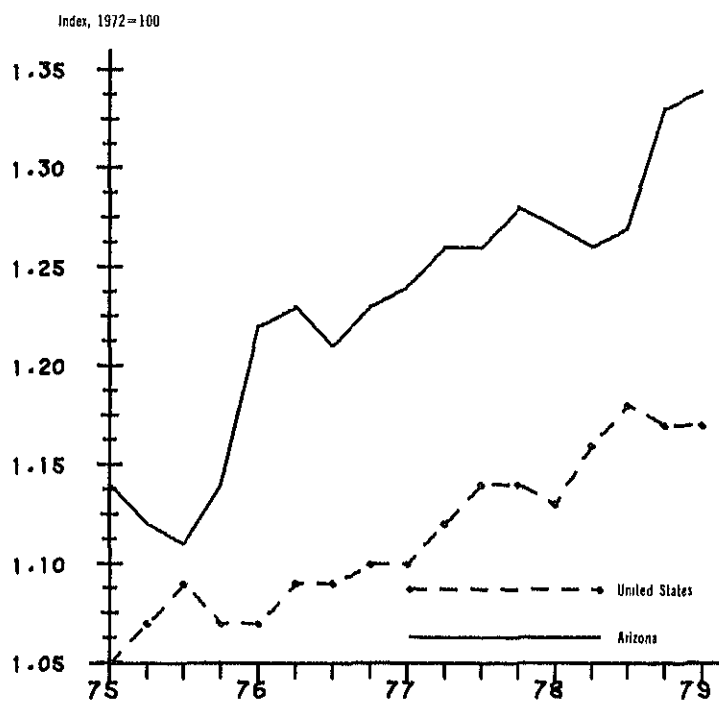


Chart 8.—Civilian Employment

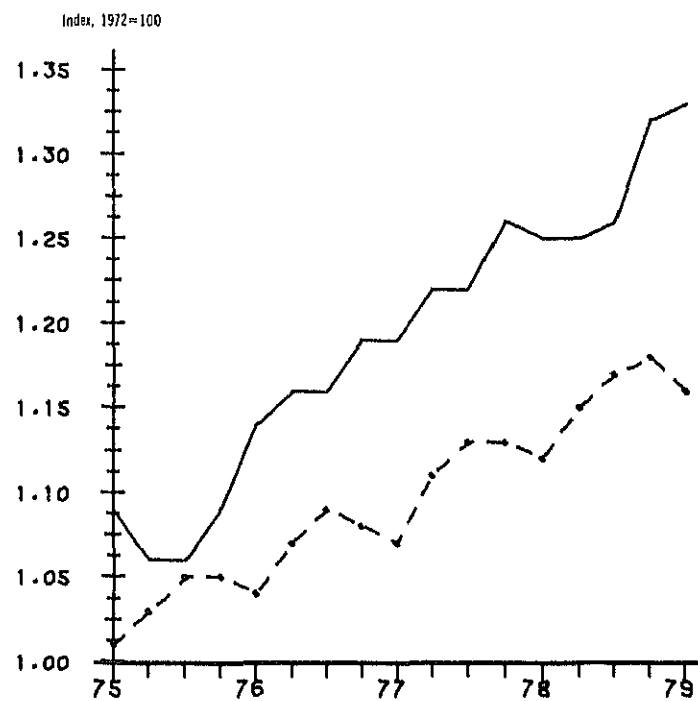


Chart 9.—Unemployment Rate

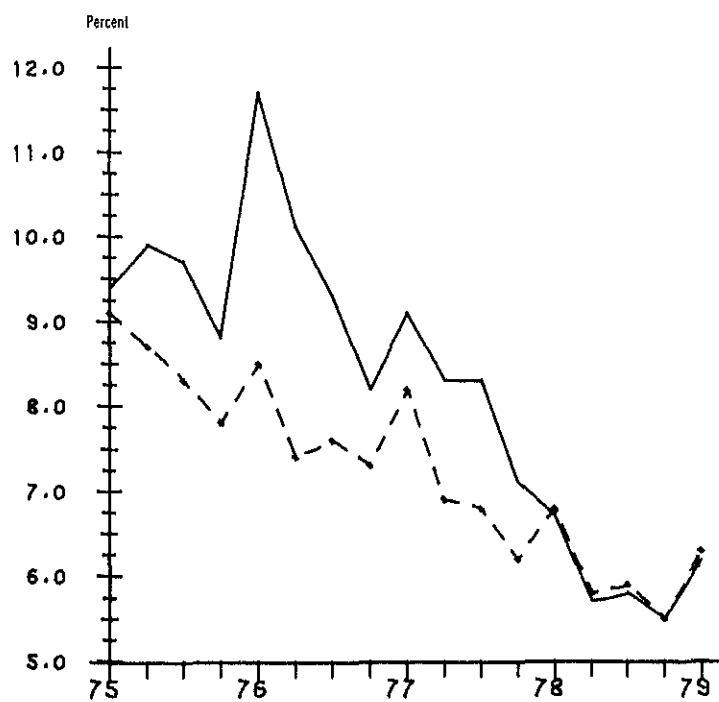
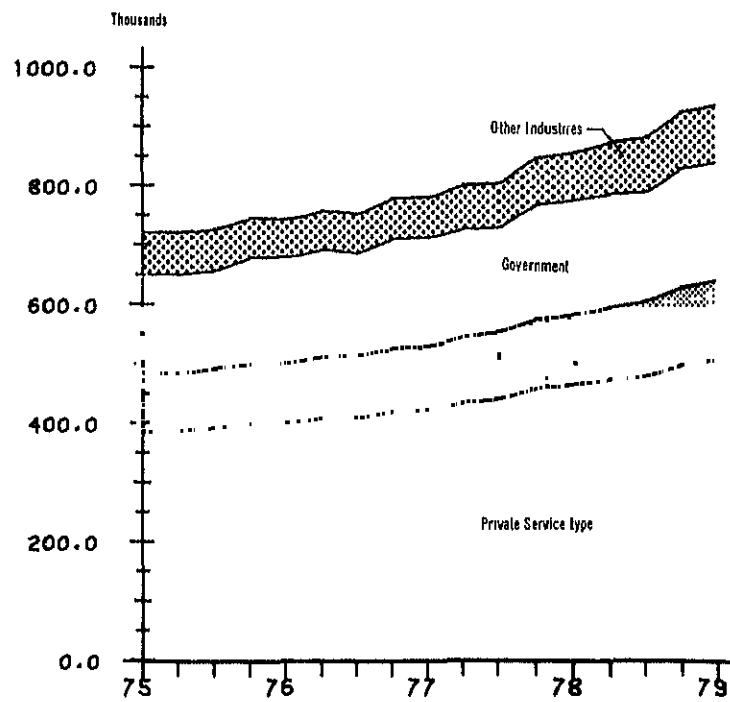


Chart 10.—Industrial Composition of Nonagricultural Employment: Arizona



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Arizona

	United States		Arizona				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978.IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	5,417	5,520	6,670	n.a.	15.6	23.1	---	---
Commercial and industrial	202,241	n.a.	1,475	1,440	1,580	n.a.	13.3	7.1	---	---
Loans to individuals	143,356	n.a.	1,559	1,593	1,956	n.a.	18.7	25.4	---	---
Real estate	183,599	n.a.	1,677	1,746	2,125	n.a.	19.6	26.7	---	---
Residential	104,830	n.a.	1,250	1,305	1,510	n.a.	22.1	20.8	---	---
Farms	7,919	n.a.	13	11	11	n.a.	9.6	-13.5	---	---
Other	70,851	n.a.	414	431	603	n.a.	17.0	45.9	---	---
Farms, excluding real estate	25,440	n.a.	295	269	364	n.a.	9.5	23.4	---	---
Other	64,581	n.a.	411	472	645	n.a.	7.9	56.8	---	---
Total deposits	911,772	n.a.	7,601	7,665	8,868	n.a.	9.3	16.7	---	---
Demand	344,245	n.a.	2,981	2,871	3,436	n.a.	5.6	15.3	---	---
Time and savings	567,527	n.a.	4,620	4,794	5,432	n.a.	11.9	17.6	---	---

1 Detail may not add to totals because of rounding.

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans rose 23.1 percent in Arizona from 1977:IV to 1978:IV, leading the national increase by over 8 percentage points and ranking second (after Nevada's) among all State increases (table 5). Loans to individuals rose by one-fourth, leading the Nation's increase of 18.7 percent, to \$2.0 billion. Residential real estate loans rose 20.8 percent, lagging the Nation's increase of 22.1 percent, to \$1.5 billion. Com-

mercial and industrial loans rose 7.1 percent, to \$1.6 billion; the rate of increase was almost one-half of the Nation's and was lower in only Georgia and South Carolina.

Total deposits rose 16.7 percent, the second largest increase (after Nevada's) in the Nation. Time and savings deposits rose 17.6 percent versus 11.9 percent nationally, to \$5.4 billion. Demand deposits rose 15.3 percent, leading the Nation's increase by almost 10 percentage points, to \$3.4 billion.

Construction

The total valuation of contracts in Arizona rose 27.2 percent from 1978:I to 1979:I (to \$928 million), exceeding the Nation's 19.8-percent average gain (table 6). National construction costs rose about 14 percent during the same timespan; if this national rise reflects the advance throughout Arizona, the real valuation of contracts rose about 13 percent versus about 6 percent nationally.

Continuing strong advances in the State's residential housekeeping market accounted for over one-half of the year-to-year rise in Arizona's total valuation of construction. The valuation of residential housekeeping contracts rose \$109 million, a 28.2-percent gain that outpaced the 11.8-percent national average gain. One-family housing contracts in Maricopa County declined slightly in valuation from year to year; in 1979:I, they accounted for 47 percent of the valuation of all residential housekeeping contracts in Arizona versus 61 percent in 1978:I. Statewide, the number of dwelling units started rose 29.5

percent, one of the largest gains in the Nation, to 17,506 units. The valuation of contracts for additions and alterations to residential housekeeping units rose 38.5 percent, a gain second only to that registered in Nevada and over twice the national average gain.

The valuation of nonresidential contracts rose 30.6 percent, from \$189 million in 1978:I to \$247 million in 1979:I; nationally, a 28.0-percent gain was registered.

Nonbuilding contracts declined in valuation from year to year, to \$88 million. The 0.9-percent nonbuilding decline was in contrast to all other major State construction markets, in which valuation gains of at least 28 percent were registered. A major component of nonbuilding construction, streets and highways, more than doubled in valuation over the period, from \$20 million in 1978:I to \$43 million in 1979:I.

Chart 14.—Construction Contracts—Total Valuation

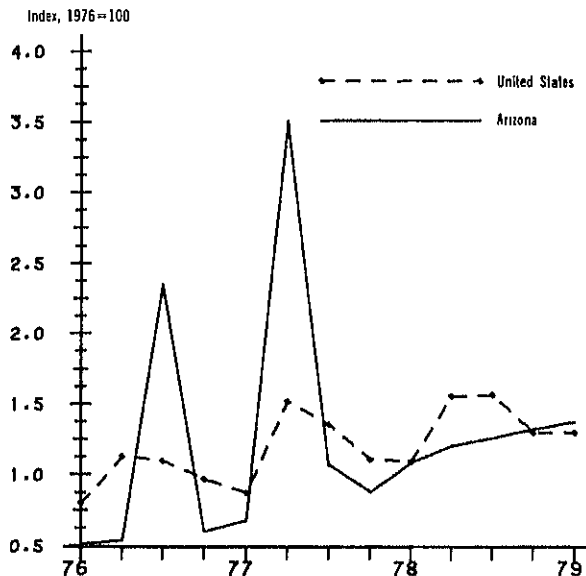


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Arizona

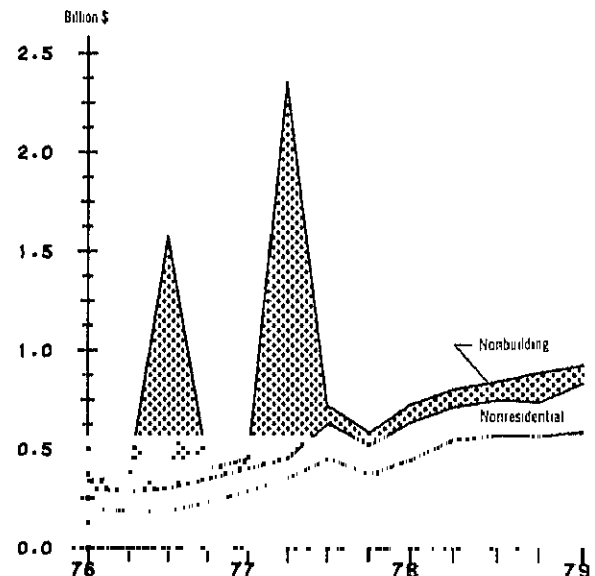


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

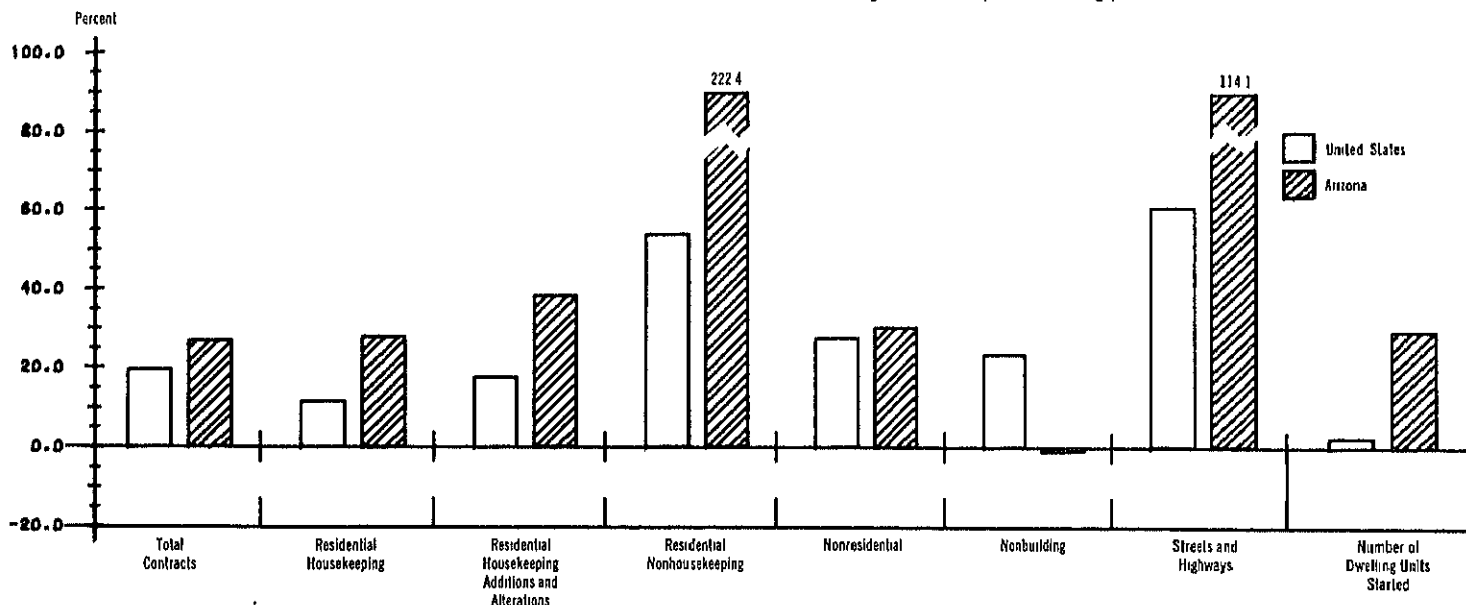


TABLE 6.—Construction Contracts, United States and Arizona¹

	United States		Arizona				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	586,644	729,658	891,137	928,299	16.8	51.9	19.8	27.2
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	79,314	61,998	102,968	85,842	14.6	29.8	17.9	38.5
All other contracts										
Number of contracts	53,028	53,454	822	949	1,038	953	-9.3	26.3	8	4
Valuation (thousands of dollars)	32,202,931	38,675,376	507,330	657,660	788,169	842,457	17.3	55.4	20.1	26.2
Floor area (thousands of square feet)	807,538	904,811	15,685	20,221	21,257	26,341	10.3	35.5	12.0	30.3
Residential housekeeping										
Number of contracts	13,592	14,399	125	154	128	196	-4.3	2.4	5.9	27.3
Number of dwelling units	404,171	414,826	10,498	13,522	13,523	17,506	-2	28.8	2.6	29.5
Valuation (thousands of dollars)	13,806,696	15,431,523	292,792	385,155	457,269	493,735	15.6	56.2	11.8	28.2
Floor area (thousands of square feet)	546,445	571,860	10,894	14,157	16,366	18,405	10.7	50.2	4.7	30.0
Residential nonhousekeeping										
Number of contracts	441	464	10	9	10	9	-4	0	5.2	0
Valuation (thousands of dollars)	327,201	504,158	1,658	4,078	9,964	13,149	54.9	501.0	54.1	222.4
Floor area (thousands of square feet)	8,179	11,483	49	118	159	371	34.7	225.0	40.4	214.7
Nonresidential										
Number of contracts	25,282	23,514	489	536	648	546	-12.0	32.5	-7.0	1.9
Valuation (thousands of dollars)	9,056,146	11,595,243	146,197	189,202	170,297	247,110	16.3	16.5	28.0	30.6
Floor area (thousands of square feet)	252,915	321,468	4,742	5,946	4,733	7,565	8.7	-2	27.1	27.2
Nonbuilding										
Number of contracts	13,713	15,077	198	250	252	202	-9.1	27.3	9.9	-19.2
Valuation (thousands of dollars)	9,012,888	11,144,452	66,683	89,225	150,639	88,463	20.6	125.9	23.7	-9
Streets and Highways										
Number of contracts	3,989	4,750	57	72	82	53	-17.8	43.9	19.1	-26.4
Valuation (thousands of dollars)	1,399,453	2,255,221	36,047	19,900	54,020	42,599	-18.1	49.9	61.2	114.1

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Arizona are not available.

TABLE 7.—Retail Sales, United States and Arizona

	United States		Arizona				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Arizona

	United States		Arizona				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,700	1,777	1,933	n.a.	13.2	13.7	---	---
Total number of business failures	1,729	n.a.	15	15	18	n.a.	-4.9	20.0	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	1,693	4,055	1,134	n.a.	13.7	-33.0	---	---
Average liability per failure (thousands of dollars)	404	n.a.	113	270	63	n.a.	19.4	-44.2	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	1	1	2	n.a.	6.0	100.0	---	---
Construction	279	n.a.	3	3	3	n.a.	-8.2	0	---	---
Wholesale trade	205	n.a.	0	2	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	7	8	6	n.a.	-4	-14.3	---	---
Commercial services	205	n.a.	4	1	7	n.a.	-23.5	75.0	---	---

n.a. Data not available.
 Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 16.8% vs. 12.6% in U.S., to \$14.9 billion —Farm personal income up 74.5% vs. 25.1% in U.S.
Employment	—Up 2.3% vs. 3.8% in U.S., to 854,000
Unemployment	—Up 3,000 to 66,000 —Rate down slightly, to 7.2% of labor force vs. 6.3% U.S. rate
Construction	—Total valuation of contracts up 9.8% vs. 19.8% in U.S., to \$412.4 million —Valuation of nonbuilding contracts up 11.0% vs. 23.7% in U.S. —Number of dwelling-unit starts down 13.8% vs. 2.6% increase in U.S.

TABLE 1.—Summary of Economic Indicators, United States and Arkansas

	United States		Arkansas				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	12,369	12,732	14,246	14,876	12.6	15.2	12.6	16.8
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	6,931	7,127	7,799	8,091	12.6	12.5	12.8	13.5
Civilian employment (thousands)	91,401	94,901	869	835	868	854	3.9	—1	3.8	2.3
Unemployment (thousands)	6,705	6,360	57	63	63	66	—8.8	9.8	—5.1	4.1
Percent unemployed (unemployment/labor force)	6.8	6.3	6.2	7.0	6.7	7.2	—	—	—	—
Total loans (millions of dollars)	619,218	n.a.	4,888	4,998	5,412	n.a.	15.6	10.7	—	—
Total deposits (millions of dollars)	911,772	n.a.	7,447	7,493	8,022	n.a.	9.3	7.7	—	—
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	402,571	375,491	413,084	412,433	16.8	2.6	19.8	9.8
Dwelling units started (number)	404,171	414,826	5,601	5,571	5,459	4,803	—2	—2.5	2.6	—13.8
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	—	15.8	—
New business incorporations (number)	115,247	n.a.	918	849	827	n.a.	13.2	—9.9	—	—
Business failures (number)	1,729	n.a.	12	19	20	n.a.	—4.9	66.7	—	—
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	—	—	—	—	8.9	—	9.9	—

n.a.: Data not available

Source: See tables 2 through 8.

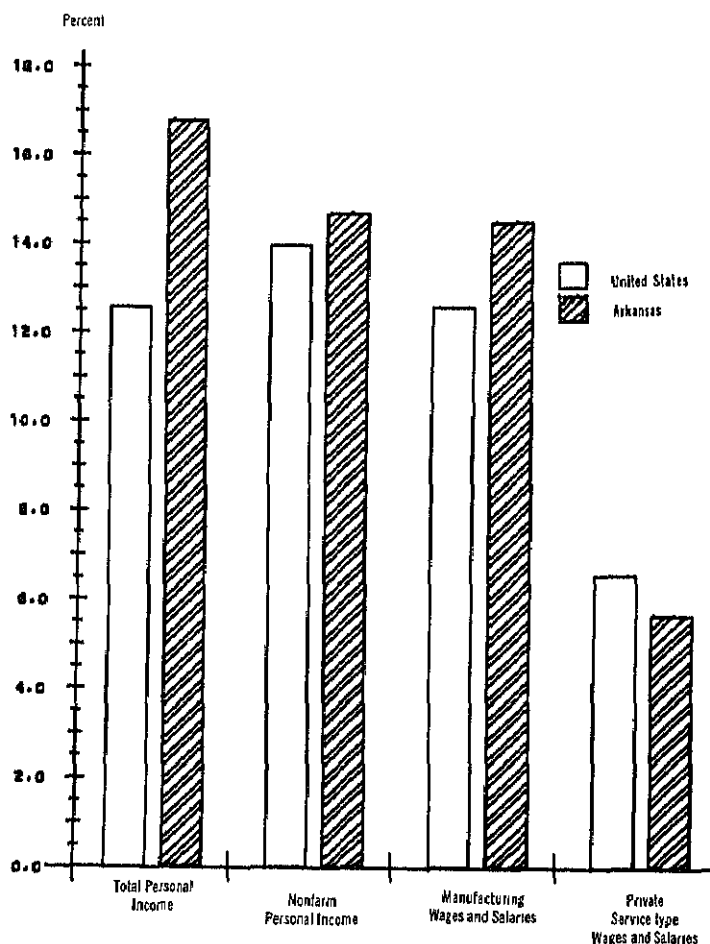
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 16.8 percent in Arkansas from 1978:I to 1979:I, compared with a 12.6-percent national increase (table 2). Arkansas' increase was the fourth largest in the Nation, after increases in Wyoming, West Virginia, and Arizona. In 1979:I, the State's personal income totaled \$14.9 billion, up \$2.1 billion since 1978:I.

From 1978:I to 1979:I, farm personal income increased 74.5 percent in the State versus 25.1 percent nationally, and nonfarm personal income increased 12.6 percent versus 12.4 percent nationally. The year-to-year increase in farm personal income was \$644 million, or 30 percent of the State's increase in total personal income.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) in Arkansas increased 13.5 percent from year to year, compared with a 12.8-percent national increase. In 1979:I, they totaled \$8.1 billion, up \$964 million since 1978:I.

Most of Arkansas' private service-type industries registered payroll increases that exceeded corresponding national increases. Services payrolls increased 14.8 percent in the State, one of the largest increases among all States and 3.1 percentage points more than the national increase. State increases of 15.3 percent in trade and 14.4 percent in transportation-communication-public utilities exceeded corresponding national increases by 1.6 and 2.9 percentage points, respectively. In contrast, payrolls in finance-insurance-real estate increased 11.0 percent in the State and 13.3 percent nationally.

Nondurable goods manufacturing payrolls increased 13.9 percent in Arkansas versus 9.9 percent nationally. Durable goods manufacturing payrolls increased 15.4 percent, almost 1.0 percentage point less than nationally; the dollar increase in durables payrolls accounted for 20 percent of the State's year-to-year increase in total payrolls.

In construction, payrolls increased 22.8 percent in the State versus 21.3 percent nationally. In government, payrolls increased 6.8 percent at the Federal level, compared with 7.6 percent nationally, and 5.1 percent at the State and local level, compared with 6.1 percent nationally.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

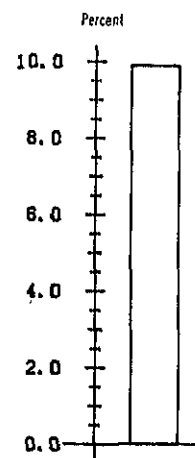


Chart 3.—Total Personal Income
[Seasonally adjusted]

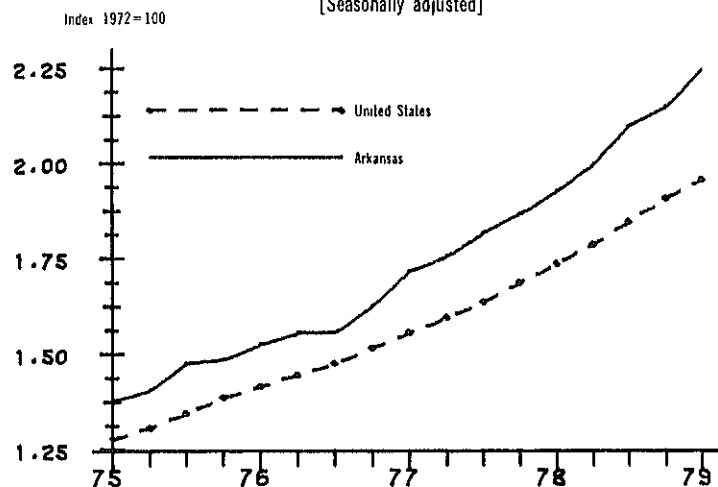


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

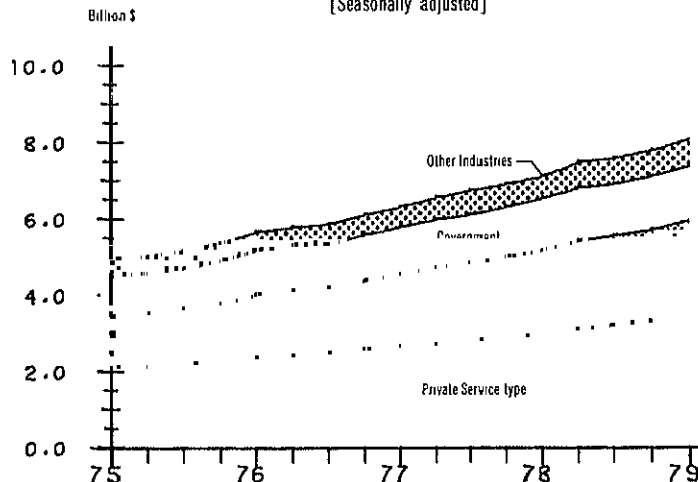


TABLE 2.—Personal Income, United States and Arkansas

	United States		Arkansas				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	12,369	12,732	14,246	14,876	12.6	15.2	12.6	16.8
Farm personal income	32,083	40,141	785	863	1,252	1,507	26.3	59.4	25.1	74.5
Nonfarm personal income	1,592,582	1,789,374	11,584	11,868	12,994	13,369	12.3	12.2	12.4	12.6
Total personal income	1,624,665	1,829,515	12,369	12,732	14,246	14,876	12.6	15.2	12.6	16.8
Wage and salary disbursements	1,042,716	1,176,598	6,931	7,127	7,799	8,091	12.6	12.5	12.8	13.5
Other labor income	99,957	115,833	725	756	839	878	16.4	15.8	15.9	16.1
Proprietors' income	108,808	126,535	1,486	1,571	2,058	2,312	18.9	38.5	16.3	47.2
Farm	24,448	31,221	683	762	1,143	1,393	31.3	67.3	27.7	82.8
Nonfarm	84,360	95,314	802	809	915	920	15.3	14.1	13.0	13.7
Dividends, interest, and rent	221,191	250,595	1,584	1,632	1,771	1,831	12.8	11.8	13.3	12.2
Transfer payments	219,202	238,794	2,111	2,146	2,315	2,356	8.2	9.7	8.9	9.8
State unemployment insurance benefits	9,997	8,023	78	68	67	59	-30.3	-13.9	-19.7	-12.5
Less: personal contributions	66,792	78,351	478	510	549	603	15.1	14.8	17.3	18.3
Plus: residence adjustment	-417	-489	10	10	12	10	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	6,931	7,127	7,799	8,091	12.6	12.5	12.8	13.5
Farm	7,215	8,422	100	100	106	112	10.6	6.4	16.7	12.2
Nonfarm	1,035,501	1,168,176	6,831	7,027	7,693	7,979	12.6	12.6	12.8	13.5
Mining	12,013	19,166	65	57	81	82	33.9	23.9	59.5	44.0
Construction	56,564	68,593	419	384	457	472	20.1	9.1	21.3	22.8
Manufacturing	285,735	325,636	2,124	2,220	2,401	2,547	13.3	13.0	14.0	14.7
Durable goods	182,321	211,944	1,180	1,238	1,347	1,428	15.2	14.1	16.2	15.4
Nondurable goods	103,414	113,692	944	982	1,054	1,119	10.0	11.7	9.9	13.9
Private service type	473,132	532,823	2,893	2,983	3,326	3,417	13.1	15.0	12.6	14.5
Transportation, communication, and public utilities	79,598	88,755	551	575	620	658	11.3	12.6	11.5	14.4
Wholesale and retail trade	177,331	201,608	1,188	1,214	1,395	1,399	14.1	17.5	13.7	15.3
Finance, insurance, and real estate	55,930	63,373	302	309	336	343	13.2	11.4	13.3	11.0
Services	160,273	179,087	852	885	975	1,016	12.7	14.4	11.7	14.8
Government	204,558	218,008	1,303	1,353	1,397	1,430	6.9	7.2	6.6	5.7
Federal	68,698	73,916	434	449	470	480	7.1	8.2	7.6	6.8
State and local	135,860	144,092	869	904	927	950	6.8	6.7	6.1	5.1
Other	3,499	3,950	27	30	30	32	14.6	10.9	12.9	9.2

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Arkansas¹

	United States		Arkansas				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV		1978:I-- 1979:I	
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Arkansas' civilian labor force increased 2.5 percent versus a 3.2-percent national increase (table 4). Total employment increased 2.3 percent (to 854,000), compared with a 3.8-percent national increase; Arkansas' increase ranked 41st in the Nation.

With the labor force increasing by 22,000 and employment increasing by 19,000, the number of unemployed increased by 3,000, to 66,000. Arkansas' unemployment rate increased slightly, to 7.2 percent of the labor force. The national unemployment rate in 1979:I was 6.3 percent, down 0.5 percentage point from the level in 1978:I.

Among Arkansas' major metropolitan areas, preliminary unemployment rates for March 1979, when the State's rate was 6.2 percent, ranged from 8.2 percent of the labor force in Fort Smith to 3.9 percent in Little Rock-North Little Rock, the State's largest metropolitan area. (In March 1979, Little Rock-North Little Rock accounted for 19 percent of the State's total labor force.) Fort Smith registered the sharpest year-to-year change in unemployment rates—up 2.0 percentage points since March 1978.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Arkansas

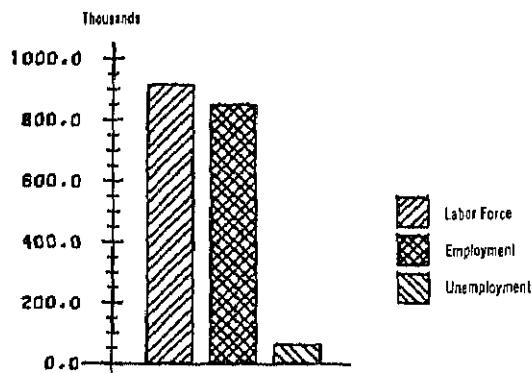


Chart 6.—Unemployment Rates, 1978:I—1979:I

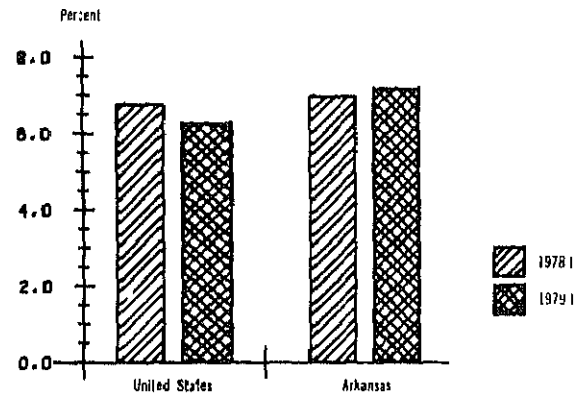


TABLE 4.—Labor Force, United States and Arkansas

	United States		Arkansas				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV		1978:I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	713	705	735	727	4.2	3.1	2.9	3.2
Mining	730	896	5	4	5	5	14.1	0	22.7	9.1
Construction	3,784	3,973	38	33	37	33	11.1	-3.4	5.0	1.5
Manufacturing	20,064	20,652	213	212	216	215	3.1	1.0	2.9	1.3
Transportation, communication, and public utilities	4,779	4,943	40	39	43	42	4.4	7.3	3.4	7.9
Wholesale and retail trade	18,937	19,549	155	151	163	156	4.5	4.9	3.2	3.8
Finance, insurance, and real estate	4,601	4,790	30	30	31	31	5.2	3.0	4.1	3.4
Services	15,758	16,149	99	100	106	108	4.4	7.3	2.5	7.9
Government	15,435	15,648	134	136	136	137	1.4	1.9	1.4	.5
Civilian labor force ³	98,106	101,260	926	898	931	920	3.1	.5	3.2	2.5
Total employed	91,401	94,901	869	835	868	854	3.9	-1.1	3.8	2.3
Total unemployed	6,705	6,360	57	63	63	66	-8.8	9.8	-5.1	4.1
Percent unemployed	6.8	6.3	6.2	7.0	6.7	7.2	---	---	---	---

1. Detail may not add to totals because of rounding

2. Based on unrounded data

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

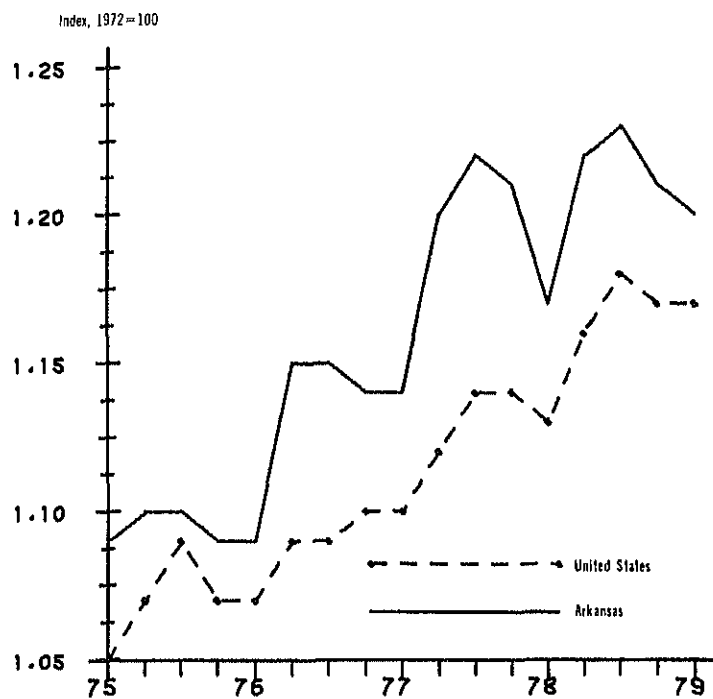


Chart 8.—Civilian Employment

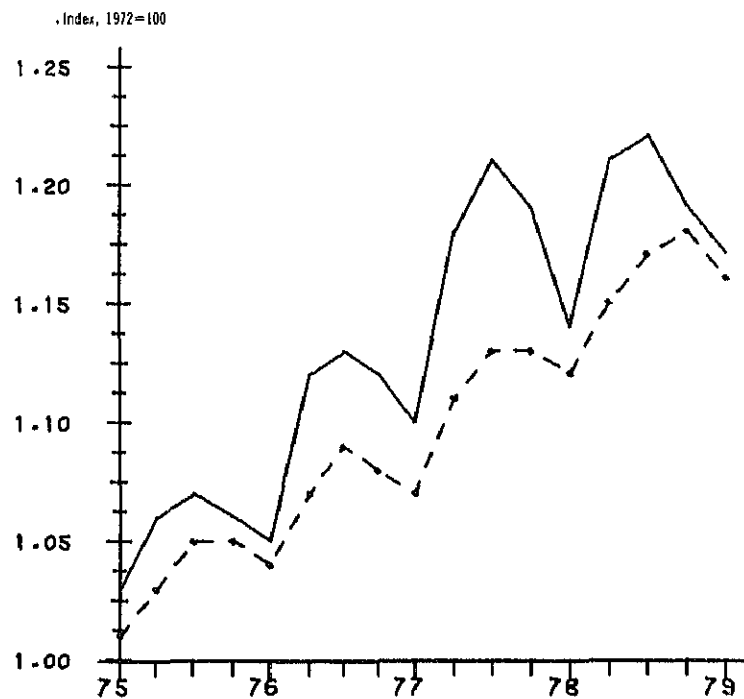


Chart 9.—Unemployment Rate

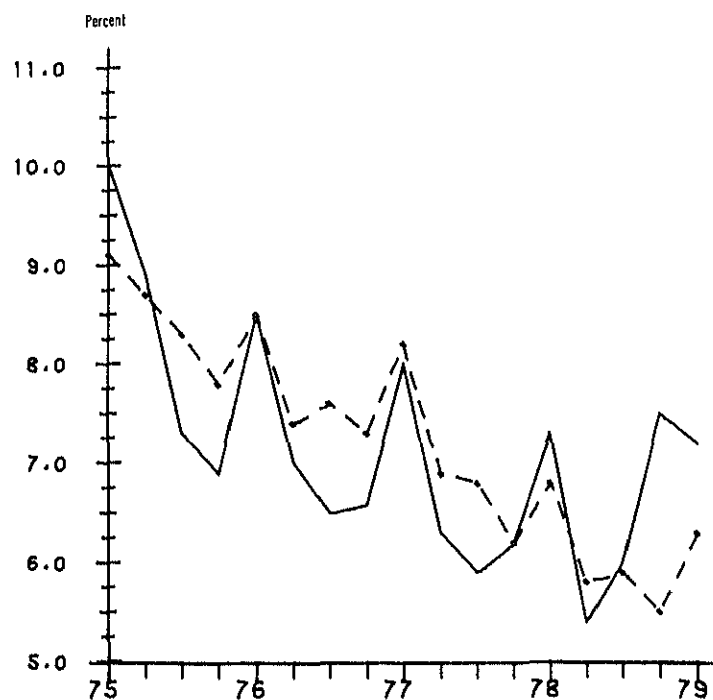
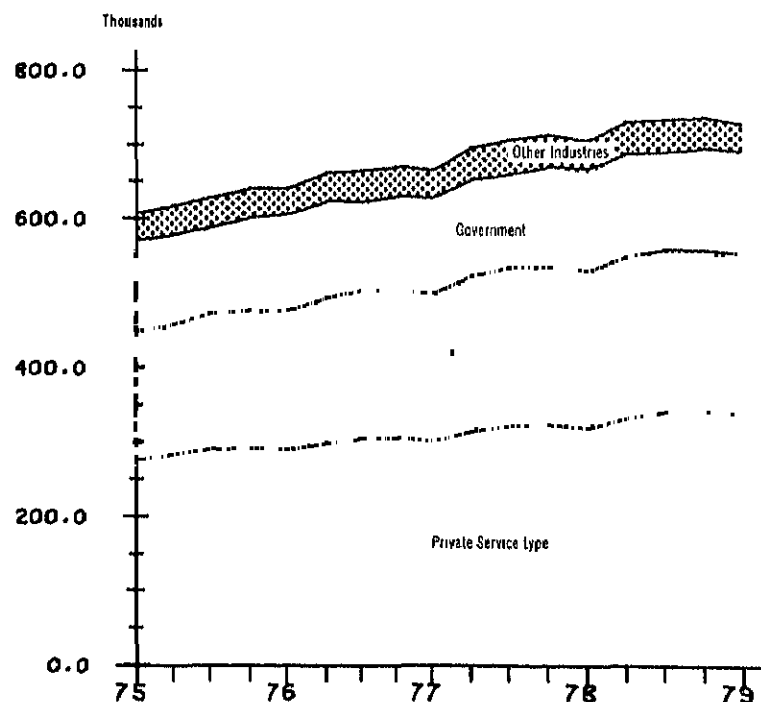


Chart 10.—Industrial Composition of Nonagricultural Employment: Arkansas



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Arkansas

	United States		Arkansas				U S	State	U S	State
	1978.I	1979.I	1977.IV	1978.I	1978.IV	1979.I	1977.IV— 1978.IV		1978.I— 1979.I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	4,888	4,998	5,412	n.a.	15.6	10.7	---	---
Commercial and industrial	202,241	n.a.	1,218	1,274	1,329	n.a.	13.3	9.1	---	---
Loans to individuals	143,356	n.a.	1,362	1,347	1,434	n.a.	18.7	5.2	---	---
Real estate	183,599	n.a.	1,720	1,772	1,997	n.a.	19.6	16.1	---	---
Residential	104,830	n.a.	768	808	957	n.a.	22.1	24.6	---	---
Farms	7,919	n.a.	285	287	297	n.a.	9.6	4.3	---	---
Other	70,851	n.a.	668	678	743	n.a.	17.0	11.3	---	---
Farms, excluding real estate	25,440	n.a.	373	380	405	n.a.	9.5	8.7	---	---
Other	64,581	n.a.	215	224	247	n.a.	7.9	15.3	---	---
Total deposits	911,772	n.a.	7,447	7,493	8,022	n.a.	9.3	7.7	---	---
Demand	344,245	n.a.	2,926	2,783	3,047	n.a.	5.6	4.1	---	---
Time and savings	567,527	n.a.	4,521	4,710	4,975	n.a.	11.9	10.0	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 10.7 percent (\$524 million) in Arkansas from 1977:IV to 1978:IV, 4.9 percentage points less than nationally (table 5). In 1978:IV, bank loans totaled \$5.4 billion in the State. Commercial and industrial loans increased 9.1 percent from year to year versus 13.3 percent nationally. Loans to individuals increased 5.2 percent, less than one-third of the national increase; Arkansas' increase exceeded only the increase in Alaska. Real estate loans increased 16.1 percent in the State,

3.5 percentage points less than nationally. Farm real estate loans increased 4.3 percent from year to year, 5.3 percentage points less than nationally, and residential real estate loans increased 24.6 percent, 2.5 percentage points more than nationally.

Total deposits in Arkansas increased 7.7 percent (\$575 million) from 1977:IV to 1978:IV versus 9.3 percent nationally. In 1978:IV, bank deposits totaled \$8.0 billion in the State. Time and savings deposits increased 10.0 percent versus 11.9 percent nationally, and demand deposits increased 4.1 percent versus 5.6 percent nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 9.8 percent (\$36.9 million), to \$412.4 million (table 6). The national increase in total valuation was twice as much, 19.8 percent. National construction costs increased about 14 percent during the same timespan, and if this increase is representative of the cost increase throughout the State, the real total valuation of contracts in Arkansas declined about 4 percent versus a national increase of about 6 percent.

Residential housekeeping contracts declined 1.8 percent in valuation (\$3.4 million), compared with an 11.8-percent national increase. The number of dwelling units started declined 13.8 percent (768 units) from year to year, to 4,803. Arkansas' percentage decline was one of the largest in the Nation. Nationally, the number of dwelling units started increased 2.6 percent.

Nonresidential contracts increased 19.6 percent in valuation (\$14.7 million), lagging the Nation's increase by 8.4 percentage points.

Similarly, nonbuilding contracts increased less in Arkansas than nationally—11.0 percent (\$6.1 million) and 23.7 percent, respectively. In contrast, street and highway contracts, a major component of nonbuilding contracts, increased 70.1 percent in the State and 61.2 percent nationally.

Unlike most other construction components in the State, the valuation of contracts for additions and alterations to residential housekeeping units, which increased 32.5 percent (\$18.7 million) from year to year, outpaced the national increase by 14.6 percentage points. Arkansas' percentage increase was one of the largest in the Nation.

Chart 14.—Construction Contracts—Total Valuation

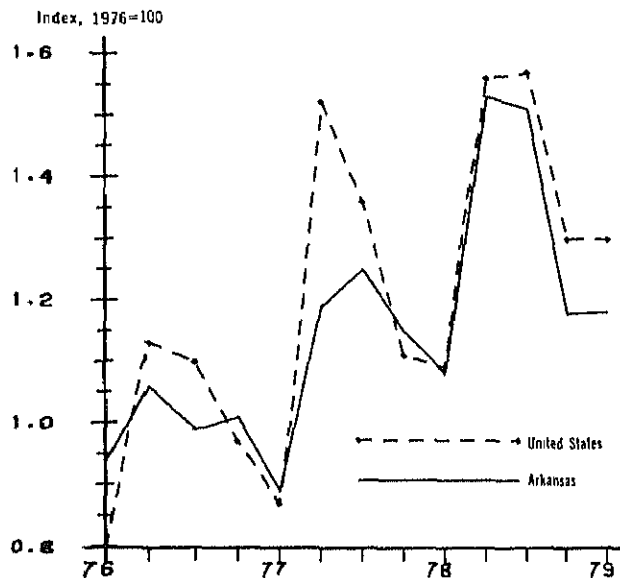


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Arkansas

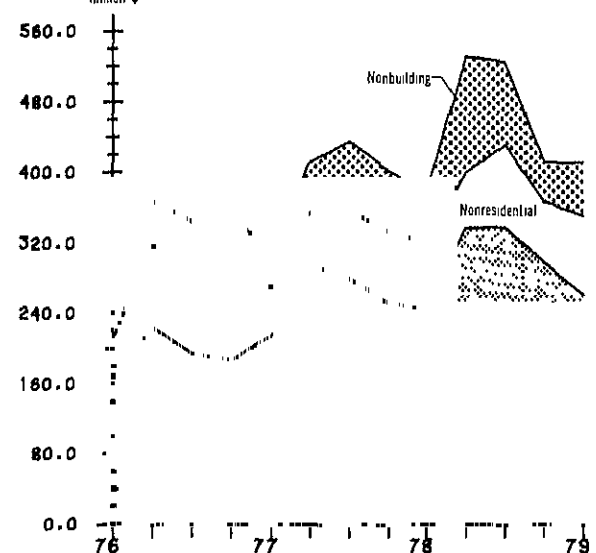


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

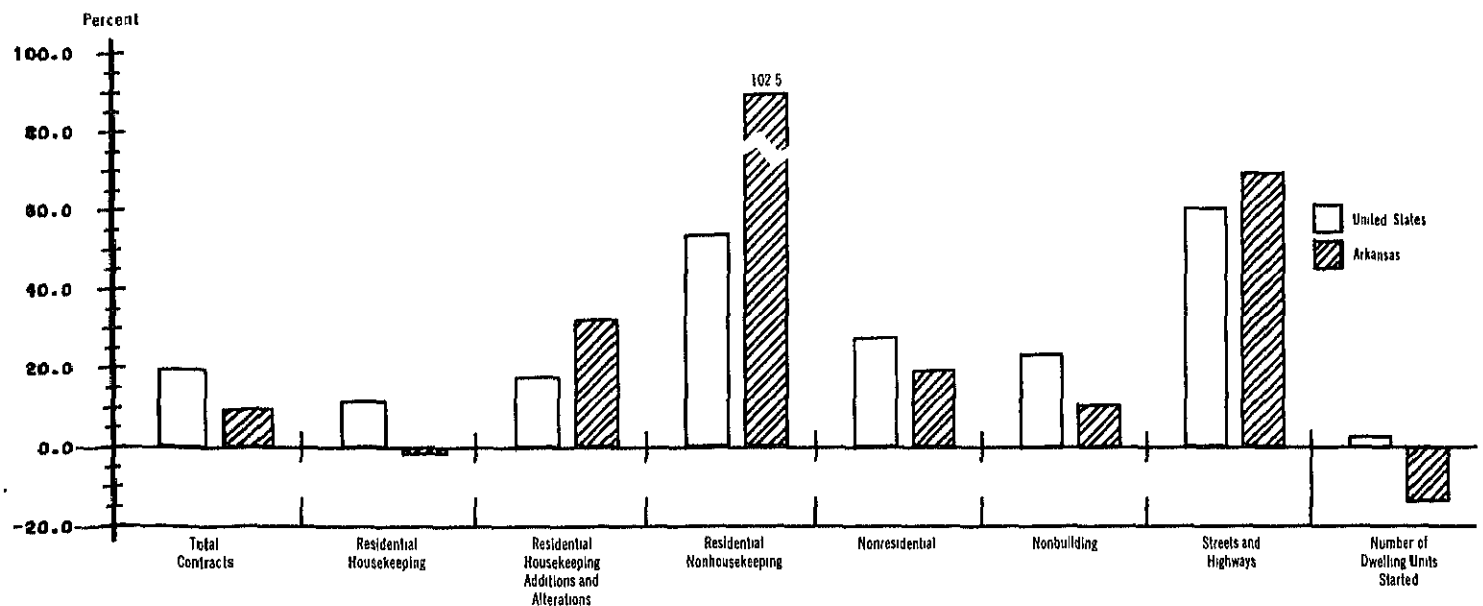


TABLE 6.—Construction Contracts, United States and Arkansas¹

	United States		Arkansas				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV-- 1978 IV		1978 I-- 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	402,571	375,491	413,084	412,433	16.8	2.6	19.8	9.8
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	66,861	57,433	89,785	76,111	14.6	34.3	17.9	32.5
All other contracts										
Number of contracts	53,028	53,454	738	747	633	609	-9.3	-14.2	8	-18.5
Valuation (thousands of dollars)	32,202,931	38,675,376	335,710	318,058	323,299	336,322	17.3	-3.7	20.1	5.7
Floor area (thousands of square feet)	807,538	904,811	10,551	10,605	10,816	9,928	10.3	2.5	12.0	-6.4
Residential housekeeping										
Number of contracts	13,592	14,399	299	274	260	257	-4.3	-13.0	5.9	-6.2
Number of dwelling units	404,171	414,826	5,601	5,571	5,459	4,803	-2	-2.5	2.6	-13.8
Valuation (thousands of dollars)	13,806,696	15,431,523	182,400	186,803	207,499	183,401	15.6	13.8	11.8	-1.8
Floor area (thousands of square feet)	546,445	571,860	7,497	7,866	8,255	7,098	10.7	10.1	4.7	-9.8
Residential nonhousekeeping										
Number of contracts	441	464	7	3	5	2	-4	-28.6	5.2	-33.3
Valuation (thousands of dollars)	327,201	504,158	3,557	889	2,078	1,800	54.9	-41.6	54.1	102.5
Floor area (thousands of square feet)	8,179	11,483	127	24	61	42	34.7	-51.9	40.4	75.0
Nonresidential										
Number of contracts	25,282	23,514	263	224	181	161	-12.0	-31.2	-7.0	-28.1
Valuation (thousands of dollars)	9,056,146	11,595,243	80,404	74,936	68,565	89,615	16.3	-14.7	28.0	19.6
Floor area (thousands of square feet)	252,915	321,468	2,927	2,715	2,500	2,788	8.7	-14.6	27.1	2.7
Nonbuilding										
Number of contracts	13,713	15,077	169	246	187	189	-9.1	10.7	9.9	-23.2
Valuation (thousands of dollars)	9,012,888	11,144,452	69,349	55,430	45,157	61,506	20.6	-34.9	23.7	11.0
Streets and Highways										
Number of contracts	3,989	4,750	84	87	47	53	-17.8	-44.0	19.1	-39.1
Valuation (thousands of dollars)	1,399,453	2,255,221	41,309	13,491	11,021	22,952	-18.1	-73.3	61.2	70.1

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Arkansas are not available.

TABLE 7.—Retail Sales, United States and Arkansas

	United States		Arkansas				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV- 1978 IV	1978 I- 1979 I		
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Arkansas

	United States		Arkansas				U S	State	U S	State
	1978:I	1979:I	1977 IV	1978:I	1978 IV	1979:I	1977 IV— 1978:IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	918	849	827	n.a.	13.2	-9.9	---	---
Total number of business failures	1,729	n.a.	12	19	20	n.a.	-4.9	66.7	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	1,065	3,547	9,830	n.a.	13.7	823.0	---	---
Average liability per failure (thousands of dollars)	404	n.a.	89	187	492	n.a.	19.4	452.8	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	1	2	2	n.a.	6.0	100.0	---	---
Construction	279	n.a.	2	4	5	n.a.	-8.2	150.0	---	---
Wholesale trade	205	n.a.	1	3	2	n.a.	-6.3	100.0	---	---
Retail trade	769	n.a.	6	9	13	n.a.	-4	116.7	---	---
Commercial services	205	n.a.	2	1	1	n.a.	-23.5	-50.0	---	---

n.a. Data not available
 Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 15.0% vs. 12.6% in U.S., to \$215.3 billion
- Private service-type payrolls up 15.4% vs. 12.6% in U.S.
- State and local government payrolls down 1.3% vs. 6.1% gain in U.S.

Consumer prices

- Up 7.3% in San Francisco-Oakland, 8.4% in Los Angeles-Long Beach, and 13.6% in San Diego vs. 9.9% in U.S.

Employment

- Up 4.7% vs. 3.8% in U.S., to 10.0 million

Unemployment

- Down 86,000, to 754,000
- Rate down 1.0 percentage point, to 7.0% of labor force vs. 6.3% in U.S.

Construction

- Total valuation of contracts up 15.9% vs. 19.8% in U.S., to \$4.8 billion
- Valuation of nonresidential contracts unchanged, at \$1.1 billion, vs. 28.0% gain in U.S.
- Number of dwelling-unit starts down 2.4% vs. 2.6% increase in U.S.

Retail sales

- Up 19.4% vs. 15.8% in U.S., to \$22.0 billion

TABLE 1.—Summary of Economic Indicators, United States and California

	United States		California				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV	1978:I-- 1979:I	1978:I-- 1979:I	1978:I-- 1979:I
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	180,855	187,243	208,818	215,273	12.6	15.5	12.6	15.0
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	115,889	120,817	132,025	136,838	12.6	13.9	12.8	13.3
Civilian employment (thousands)	91,401	94,901	9,531	9,596	10,072	10,046	3.9	5.7	3.8	4.7
Unemployment (thousands)	6,705	6,360	761	840	653	754	-8.8	-14.1	-5.1	-10.2
Percent unemployed (unemployment/labor force)	6.8	6.3	7.4	8.0	6.1	7.0	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	70,510	72,593	86,048	n.a.	15.6	22.0	---	---
Total deposits (millions of dollars)	911,772	n.a.	101,125	101,087	113,749	n.a.	9.3	12.5	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	4,359,666	4,116,337	4,451,880	4,772,131	16.8	2.1	19.8	15.9
Dwelling units started (number)	404,171	414,826	55,823	51,789	44,450	50,570	-2	-20.4	2.6	-2.4
Total retail sales (millions of dollars)	167,940	194,529	21,013	18,463	23,464	22,043	11.2	11.7	15.8	19.4
New business incorporations (number)	115,247	n.a.	11,374	10,618	12,107	n.a.	13.2	6.4	---	---
Business failures (number)	1,729	n.a.	248	222	246	n.a.	-4.9	-8	---	---
Consumer Price Index (1967=100):										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Los Angeles—Long Beach	---	---	183.0	186.5	197.2	202.1	---	7.8	---	8.4
San Diego	---	---	186.6	189.8	208.5	215.6	---	11.7	---	13.6
San Francisco—Oakland	---	---	187.3	190.3	201.5	204.2	---	7.6	---	7.3

n.a. Data not available.
Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 15.0 percent in California from 1978:I to 1979:I, 2.4 percentage points above the Nation's gain (table 2). In 1979:I, California's personal income totaled \$215 billion, up \$28 billion since 1978:I. During this timespan, consumer prices increased 7.3 percent in the San Francisco-Oakland metropolitan area, 8.4 percent in Los Angeles-Long Beach, and 13.6 percent in San Diego versus 9.9 percent nationally (table 3). If an average of the price increases in the three areas (9.8 percent) is used as an indicator for price increases throughout the State, real total personal income in California increased more than 5 percent from year to year versus 2.7 percent nationally.

Nonfarm personal income increased 14.0 percent from 1978:I to 1979:I, leading the national average gain by almost 2 percentage points and ranking ninth among all State gains. Farm personal income increased 58.3 percent, more than twice the gain registered nationally. In 1979:I, California's farm income accounted for more than 16 percent of the Nation's total farm income.

Nonfarm proprietors' income increased 20.5 percent, to \$13.2 billion. Dividends, interest, and rental income increased 21.0 percent, to \$30.3 billion. Both rates of gain, which were higher than in any other State, reflected the effects of property tax reductions due to Proposition 13.

Wage and salary disbursements (payrolls) in California increased 13.3 percent from year to year versus 12.8 percent nationally. Nearly all major private industries registered payroll increases that led those of national counterparts. Services payrolls, the State's largest, increased 16.7 percent, a gain exceeded in only three States. Trade payrolls increased 15.2 percent, 1.5 percentage points above the Nation's average. Durable manufacturing payrolls increased 19.8 percent, outpacing the Nation's gain of 16.2 percent. Construction payrolls increased 26.0 percent, comparing favorably with a national gain of 21.3 percent.

Nondurable manufacturing payrolls increased 9.1 percent, lagging the national increase by almost 1 percentage point.

Federal Government payrolls increased 6.8 percent, almost 1 percentage point below the Nation's 7.6-percent gain, to \$9.1 billion. State and local government payrolls, reflecting the effects of wage freezes and layoffs stemming from Proposition 13, declined 1.3 percent. In each of the remaining 49 States, these payrolls increased, and the average gain was 7.2 percent.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

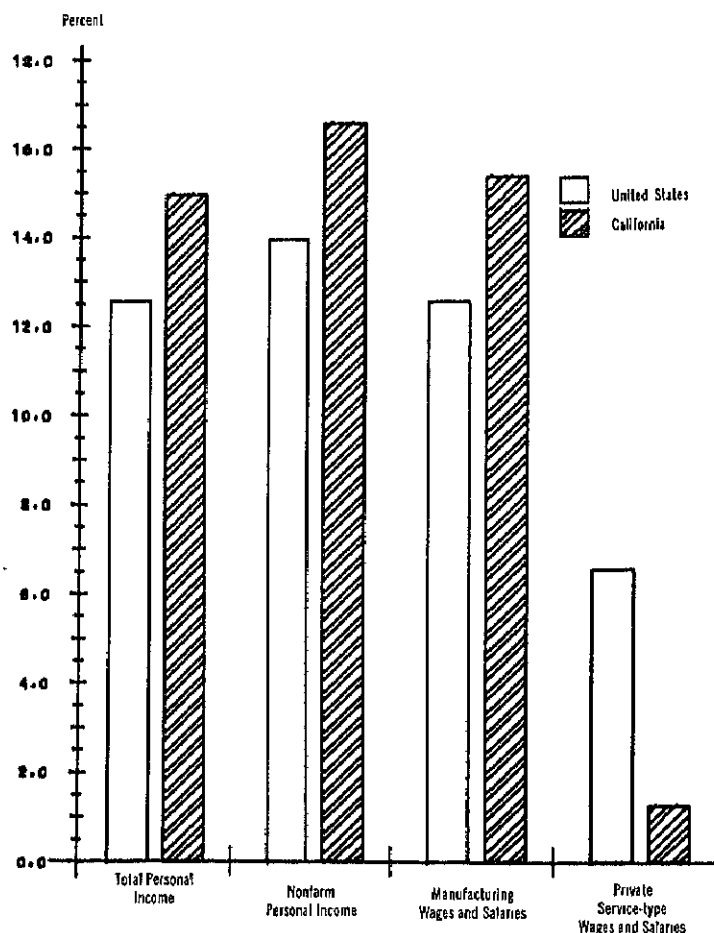
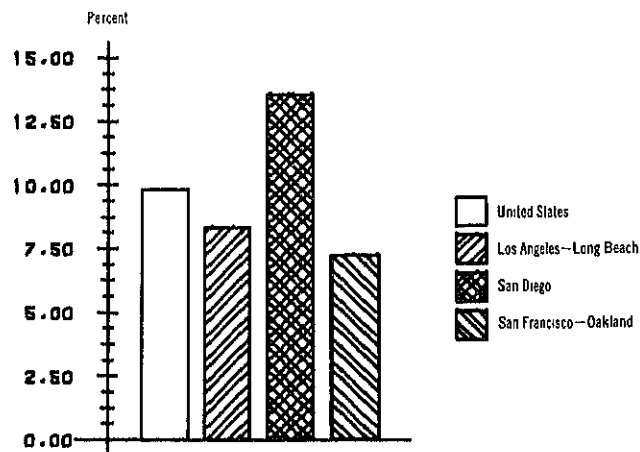


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I



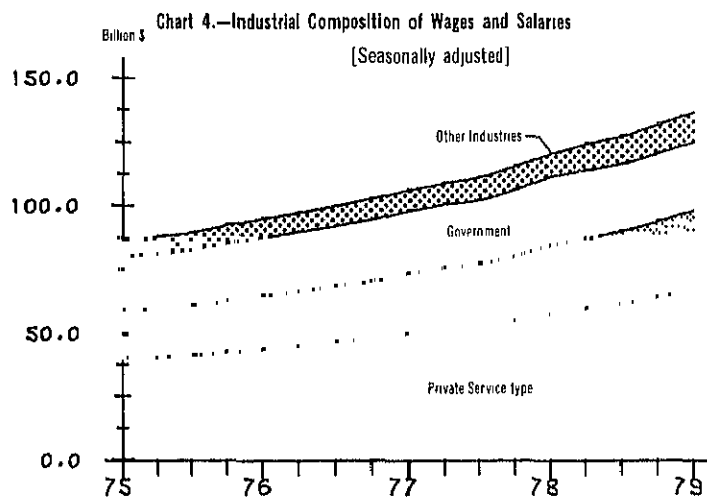
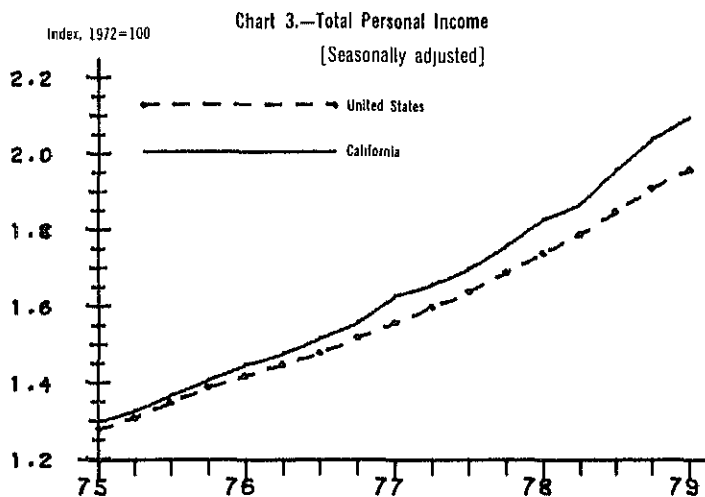


TABLE 2.—Personal Income, United States and California

	United States		California				U S	State	U S	State
	1978:1	1979:1	1977:IV	1978:1	1978:IV	1979:1	1977:IV— 1978:IV		1978:1— 1979:1	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	180,855	187,243	208,818	215,273	12.6	15.5	12.6	15.0
Farm personal income	32,083	40,141	4,091	4,184	6,112	6,623	26.3	49.4	25.1	58.3
Nonfarm personal income	1,592,582	1,789,374	176,764	183,059	202,706	208,650	12.3	14.7	12.4	14.0
Total personal income	1,624,665	1,829,515	180,855	187,243	208,818	215,273	12.6	15.5	12.6	15.0
Wage and salary disbursements	1,042,716	1,176,598	115,889	120,817	132,025	136,838	12.6	13.9	12.8	13.3
Other labor income	99,957	115,833	10,051	10,683	11,953	12,487	16.4	18.9	15.9	16.9
Proprietors' income	108,808	126,535	13,151	13,460	17,309	17,824	18.9	31.6	16.3	32.4
Farm	24,448	31,221	2,453	2,527	4,261	4,652	31.3	73.8	27.7	84.1
Nonfarm	84,360	95,314	10,698	10,933	13,048	13,171	15.3	22.0	13.0	20.5
Dividends, interest, and rent	221,191	250,595	24,325	25,067	29,340	30,321	12.8	20.6	13.3	21.0
Transfer payments	219,202	238,794	24,701	25,145	26,790	27,287	8.2	8.5	8.9	8.5
State unemployment insurance benefits	9,997	8,023	1,254	1,210	980	948	-30.3	-21.9	-19.7	-21.7
Less personal contributions	66,792	78,351	7,282	7,941	8,608	9,495	15.1	18.2	17.3	19.6
Plus residence adjustment	-417	-489	20	12	9	11	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	115,889	120,817	132,025	136,838	12.6	13.9	12.8	13.3
Farm	7,215	8,422	1,489	1,504	1,678	1,787	10.6	12.7	16.7	18.8
Nonfarm	1,035,501	1,168,176	114,400	119,313	130,346	135,051	12.6	13.9	12.8	13.2
Mining	12,013	19,166	685	647	869	889	33.9	26.7	59.5	37.5
Construction	56,564	68,593	6,324	6,260	7,711	7,887	20.1	21.9	21.3	26.0
Manufacturing	285,735	325,636	25,497	26,947	29,892	31,408	13.3	17.2	14.0	16.6
Durable goods	182,321	211,944	17,854	18,748	21,273	22,461	15.2	19.2	16.2	19.8
Nondurable goods	103,414	113,692	7,643	8,199	8,619	8,946	10.0	12.8	9.9	9.1
Private service type	473,132	532,823	55,269	58,247	64,416	67,198	13.1	16.5	12.6	15.4
Transportation, communication, and public utilities	79,598	88,755	8,161	8,834	9,440	9,881	11.3	15.7	11.5	11.9
Wholesale and retail trade	177,331	201,608	20,166	21,235	23,510	24,462	14.1	16.6	13.7	15.2
Finance, insurance, and real estate	55,930	63,373	6,690	6,909	7,788	8,036	13.2	16.4	13.3	16.3
Services	160,273	179,087	20,252	21,269	23,678	24,819	12.7	16.9	11.7	16.7
Government	204,558	218,008	25,890	26,411	26,605	26,750	6.9	2.8	6.6	1.3
Federal	68,698	73,916	8,421	8,484	9,040	9,059	7.1	7.4	7.6	6.8
State and local	135,860	144,092	17,469	17,928	17,565	17,691	6.8	6	6.1	-1.3
Other	3,499	3,950	734	802	854	918	14.6	16.3	12.9	14.5

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and California¹

	United States		California				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Los Angeles—Long Beach	---	---	183.0	186.5	197.2	202.1	---	7.8	---	8.4
San Diego	---	---	186.6	189.8	208.5	215.6	---	11.7	---	13.6
San Francisco—Oakland	---	---	187.3	190.3	201.5	204.2	---	7.6	---	7.3

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2. Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, California's civilian labor force increased 3.5 percent, 0.3 percentage point above the Nation's advance (table 4). Total employment increased 4.7 percent (from 9.6 million to 10.1 million), almost 1 percentage point above the national average advance of 3.8 percent.

With employment increasing by 450,000 and the labor force increasing by 364,000, the number of unemployed declined by 86,000. The unemployment rate declined 1 percentage point, to 7.0 percent of the labor force in 1979:I. Nationally, the unemployment rate declined one-half of a percentage point, to 6.3 percent.

Across the State, unemployment rates varied considerably. According to preliminary data for March 1979, unemployment rates among California's 16 major metropolitan areas ranged from 4.2 percent in Anaheim-Santa Ana-Garden Grove to 14.6 percent in Stockton; the preliminary State rate was 6.7 percent. The two largest areas, Los Angeles-Long Beach and San Francisco-Oakland, registered rates of 5.7 percent and 5.5 percent, respectively.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: California

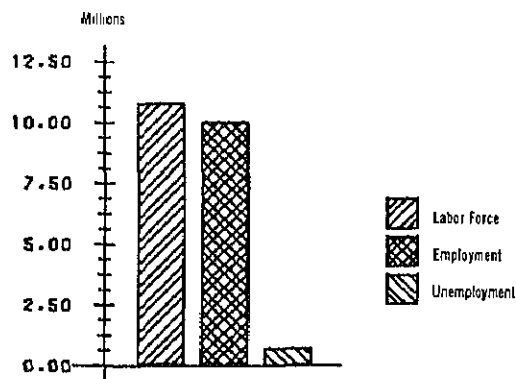


Chart 6.—Unemployment Rates, 1978:I—1979:I

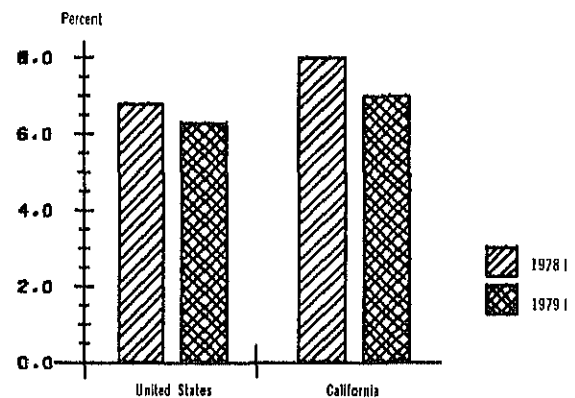


TABLE 4.—Labor Force, United States and California

	United States		California				U S	State	U S	State
	1978 I	1979:I	1977:IV	1978 I	1978 IV	1979:I	1977:IV—1978:IV	1978:I—1979:I	1977:IV—1978:IV	1978:I—1979:I
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	8,903	8,937	9,468	9,428	4.2	6.3	2.9	5.5
Mining	730	896	36	36	38	38	14.4	3.6	22.7	4.7
Construction	3,784	3,973	396	364	447	411	11.2	12.9	5.0	12.8
Manufacturing	20,064	20,652	1,767	1,784	1,927	1,932	3.6	9.1	2.9	8.3
Transportation, communication, and public utilities	4,779	4,943	489	488	523	519	4.4	6.8	3.4	6.5
Wholesale and retail trade	18,937	19,549	2,076	2,049	2,229	2,195	4.5	7.4	3.2	7.1
Finance, insurance, and real estate	4,601	4,790	522	535	566	571	5.2	8.4	4.1	6.9
Services	15,758	16,149	1,839	1,877	2,014	2,043	4.4	9.5	2.5	8.8
Government	15,435	15,648	1,779	1,804	1,725	1,718	1.4	-3.0	1.4	-4.8
Civilian labor force ³	98,106	101,260	10,292	10,436	10,725	10,800	3.1	4.2	3.2	3.5
Total employed	91,401	94,901	9,531	9,596	10,072	10,046	3.9	5.7	3.8	4.7
Total unemployed	6,705	6,360	761	840	653	754	-8.8	-14.1	-5.1	-10.2
Percent unemployed	6.8	6.3	7.4	8.0	6.1	7.0	—	—	—	—

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

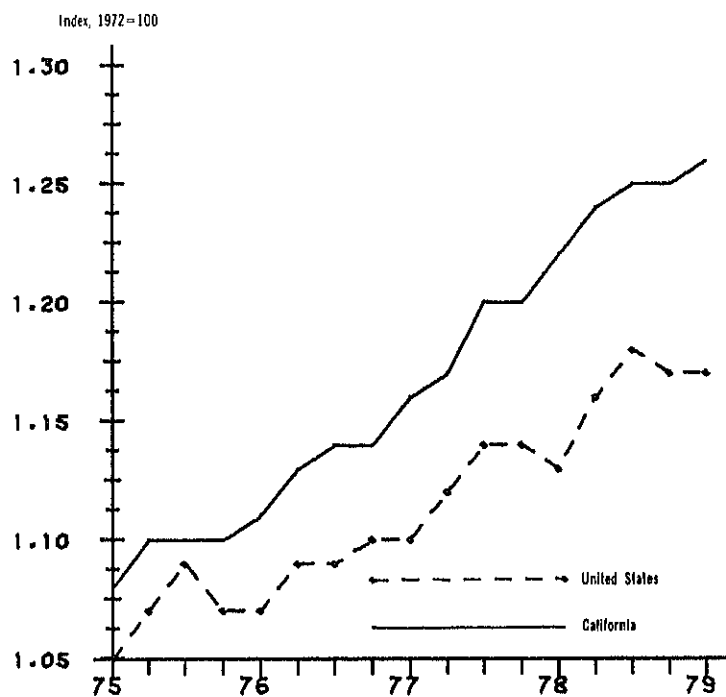


Chart 8.—Civilian Employment

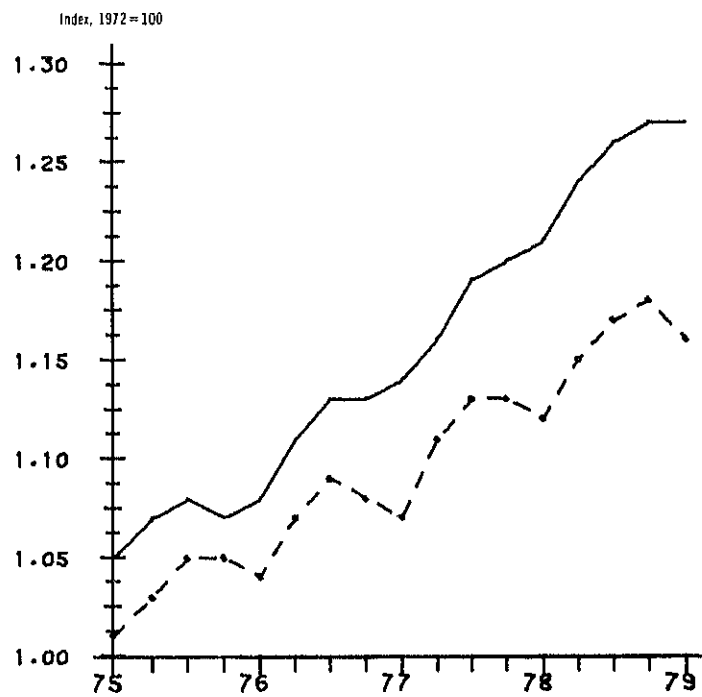


Chart 9.—Unemployment Rate

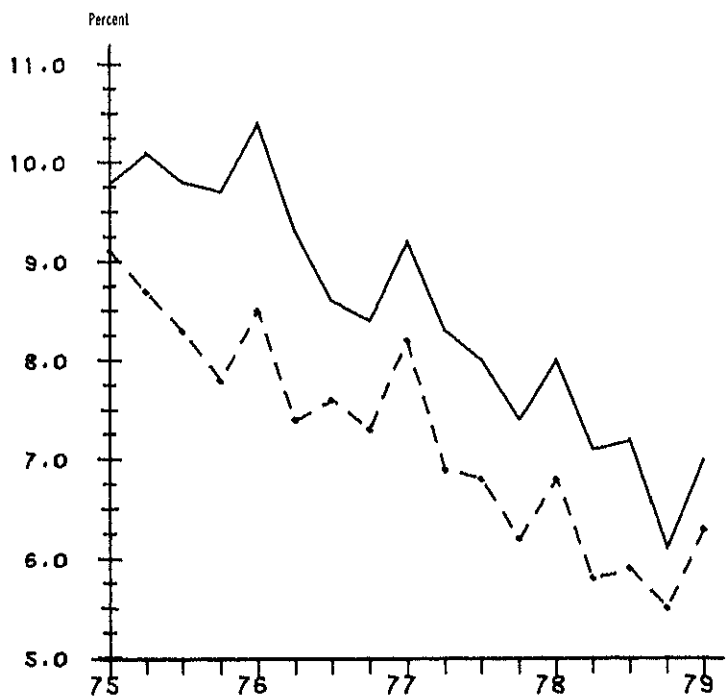
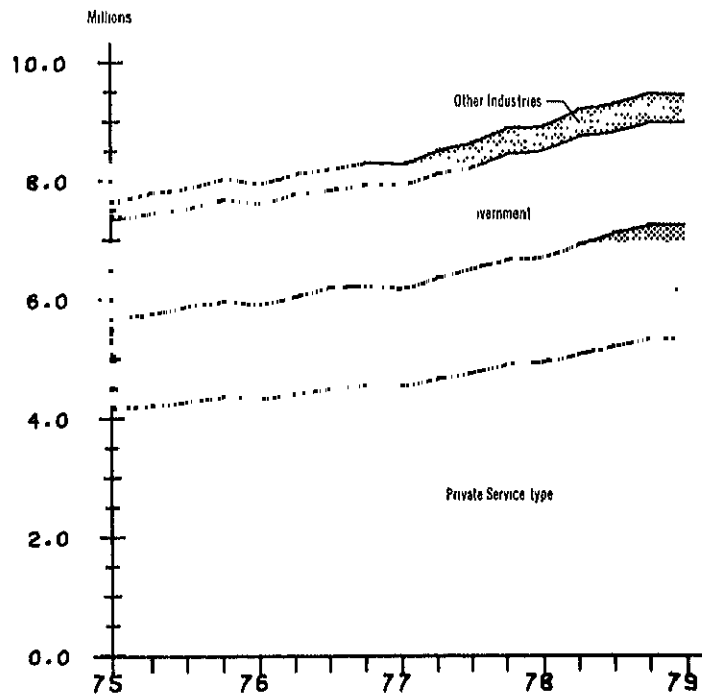


Chart 10.—Industrial Composition of Nonagricultural Employment: California



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I—1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and California

	United States		California				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979 I	1977:IV-- 1978:IV	1978 I-- 1979:I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	70,510	72,593	86,048	n.a.	15.6	22.0	---	---
Commercial and industrial	202,241	n.a.	21,672	22,210	24,637	n.a.	13.3	13.7	---	---
Loans to individuals	143,356	n.a.	14,648	15,371	18,217	n.a.	18.7	24.4	---	---
Real estate	183,599	n.a.	23,688	24,881	30,855	n.a.	19.6	30.3	---	---
Residential	104,830	n.a.	15,292	15,867	19,918	n.a.	22.1	30.3	---	---
Farms	7,919	n.a.	246	280	322	n.a.	9.6	31.2	---	---
Other	70,851	n.a.	8,151	8,734	10,614	n.a.	17.0	30.2	---	---
Farms, excluding real estate	25,440	n.a.	2,020	1,958	2,293	n.a.	9.5	13.6	---	---
Other	64,581	n.a.	8,482	8,174	10,047	n.a.	7.9	18.4	---	---
Total deposits	911,772	n.a.	101,125	101,087	113,749	n.a.	9.3	12.5	---	---
Demand	344,245	n.a.	37,551	36,007	40,985	n.a.	5.6	9.1	---	---
Time and savings	567,527	n.a.	63,574	65,080	72,764	n.a.	11.9	14.5	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV—1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans rose 22.0 percent in California from 1977:IV to 1978:IV, far outpacing the national increase of 15.6 percent and ranking fourth among all State increases (table 5). Real estate loans rose 30.3 percent, the second largest increase (after Nevada's) in the Nation, to \$30.9 billion. Loans to individuals rose 24.4 percent, almost 6.0 percentage

points more than nationally, to \$18.2 billion. Commercial and industrial loans rose 13.7 percent, marginally leading the Nation's 13.3-percent increase, to \$24.6 billion.

Total deposits rose 12.5 percent, leading the Nation's increase of 9.3 percent. Time and savings deposits rose 14.5 percent versus 11.9 percent nationally, to \$72.8 billion; demand deposits rose 9.1 percent versus 5.6 percent nationally, to \$41.0 billion.

Construction

From 1978:I to 1979:I, the total valuation of contracts in California rose 15.9 percent, lagging the Nation's gain by about 4 percentage points, to \$4.8 billion (table 6). National construction costs rose about 14 percent during the same timespan; if this national rise reflects the cost advance throughout California, the real valuation of contracts rose about 2 percent in the State, compared with a national rise of about 6 percent.

The valuation of nonresidential contracts in the State remained at the same level in 1979:I (\$1.1 billion) as in 1978:I, compared with a 28.0-percent national gain. In contrast, 40 States registered gains from year to year.

Despite a 66.3-percent gain in the valuation of contracts in the street and highway component, the valuation of nonbuilding contracts rose only 5.9 percent (\$25 million) in the State, one-fourth as large as the Nation's gain, to \$448 million in 1979:I.

From 1978:I to 1979:I, the valuation of residential housekeeping contracts in the State increased 20.0 percent, compared with an 11.8-percent national gain, to \$2.3 billion. The number of dwelling units started in California fell slightly (to 51,000), compared with a 2.6-percent gain nationally. Additions and alterations to residential housekeeping units rose 37.2 percent in valuation, a gain exceeded only in Nevada and Arizona, to \$830 million. The gain in the new residential housekeeping market (\$383 million), together with the gain in additions and alterations (\$225 million), accounted for almost 93 percent of the State's year-to-year gain in the total valuation of construction contracts.

The valuation of residential nonhousekeeping contracts rose 83.5 percent, far outpacing the Nation's 54.1-percent gain, to \$48 million.

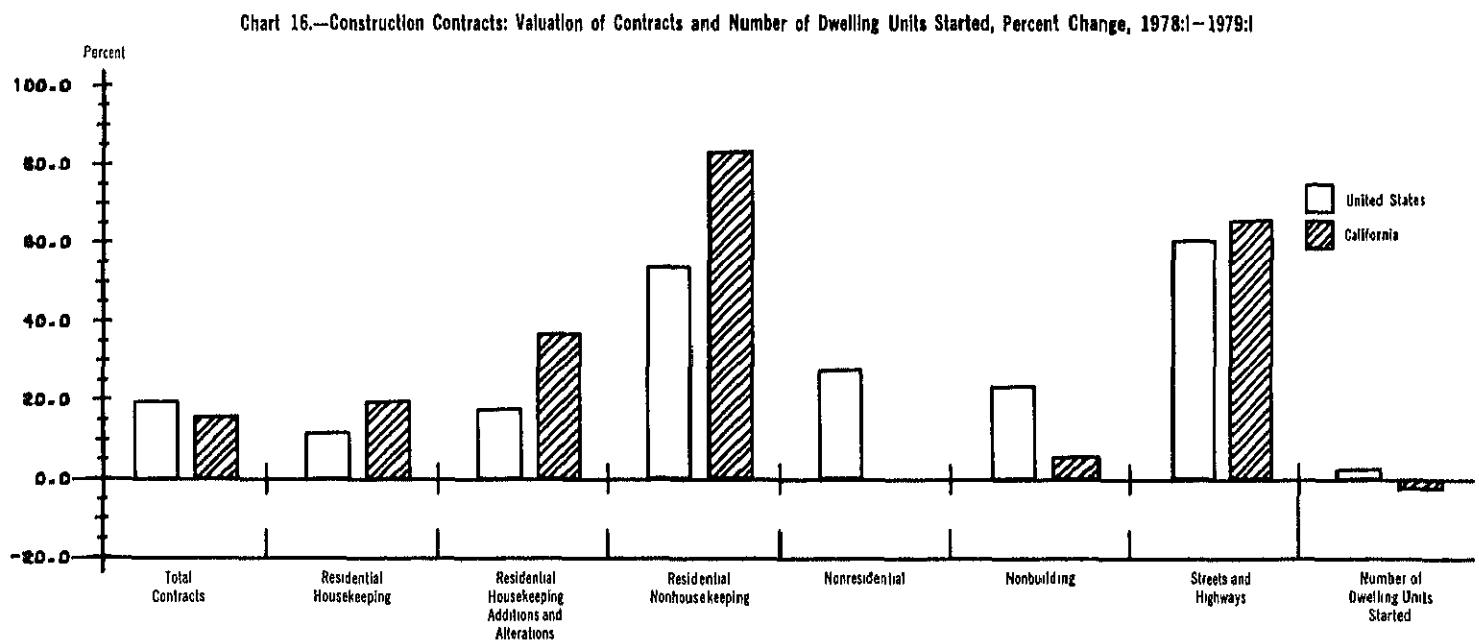
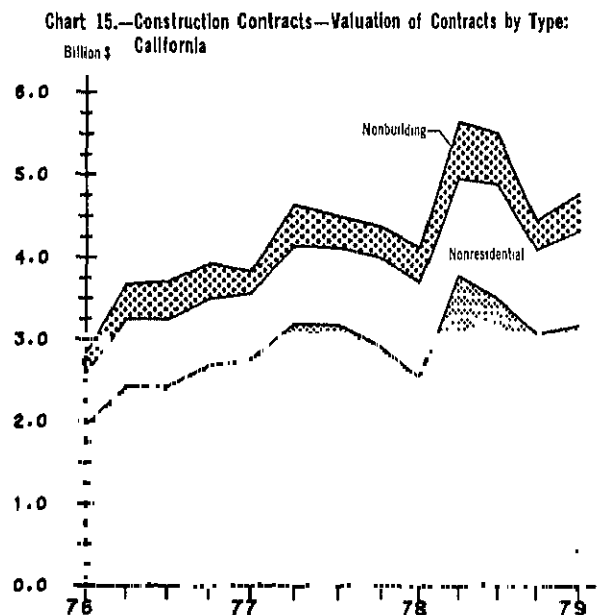
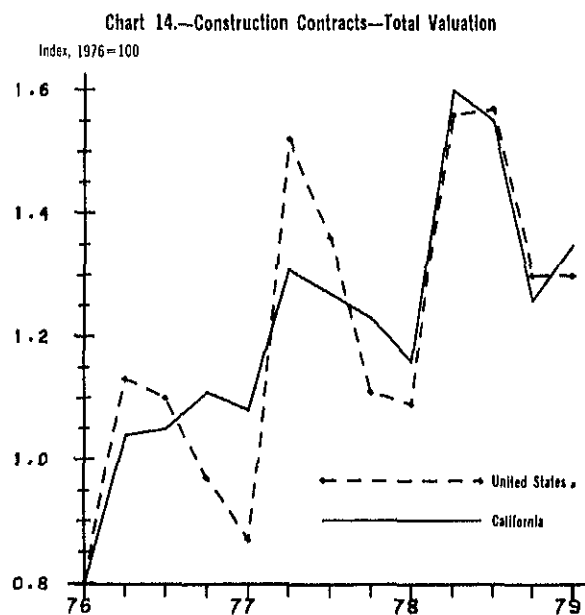


TABLE 6.—Construction Contracts, United States and California¹

	United States		California				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	4,359,666	4,116,337	4,451,880	4,772,131	16.8	2.1	19.8	15.9
Residential housekeeping, additions and alterations Valuation (thousands of dollars)	5,904,299	6,962,771	786,743	605,336	1,024,926	830,535	14.6	30.3	17.9	37.2
All other contracts										
Number of contracts	53,028	53,454	5,068	5,216	5,123	5,359	-9.3	1.1	.8	2.7
Valuation (thousands of dollars)	32,202,931	38,675,376	3,572,923	3,511,001	3,426,954	3,941,596	17.3	-4.1	20.1	12.3
Floor area (thousands of square feet)	807,538	904,811	108,619	107,602	99,606	115,712	10.3	-8.3	12.0	7.5
Residential housekeeping										
Number of contracts	13,592	14,399	1,077	970	821	1,024	-4.3	-23.8	5.9	5.6
Number of dwelling units	404,171	414,826	55,823	51,789	44,450	50,570	-2	-20.4	2.6	-2.4
Valuation (thousands of dollars)	13,806,696	15,431,523	2,063,051	1,913,180	2,027,110	2,296,477	15.6	-1.7	11.8	20.0
Floor area (thousands of square feet)	546,445	571,860	70,823	65,976	64,463	73,567	10.7	-9.0	4.7	11.5
Residential nonhousekeeping										
Number of contracts	441	464	55	49	41	55	-4	-25.5	5.2	12.2
Valuation (thousands of dollars)	327,201	504,158	45,076	26,099	26,203	47,893	54.9	-41.9	54.1	83.5
Floor area (thousands of square feet)	8,179	11,483	1,121	748	538	1,385	34.7	-52.0	40.4	85.1
Nonresidential										
Number of contracts	25,282	23,514	2,773	2,984	2,966	3,000	-12.0	7.0	-7.0	5
Valuation (thousands of dollars)	9,056,146	11,595,243	1,085,353	1,149,146	1,024,174	1,149,650	16.3	-5.6	28.0	0
Floor area (thousands of square feet)	252,915	321,468	36,675	40,879	34,605	40,761	8.7	-5.6	27.1	-3
Nonbuilding										
Number of contracts	13,713	15,077	1,163	1,213	1,295	1,280	-9.1	11.3	9.9	5.5
Valuation (thousands of dollars)	9,012,888	11,144,452	379,443	422,576	349,467	447,576	20.6	-7.9	23.7	5.9
Streets and Highways										
Number of contracts	3,989	4,750	338	344	351	376	-17.8	3.8	19.1	9.3
Valuation (thousands of dollars)	1,399,453	2,255,221	91,485	73,499	84,401	122,236	-18.1	-7.7	61.2	66.3

1. Contracts started or expected to start within 60 days

2. Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in California totaled over \$22.0 billion in 1979:I, up 19.4 percent (\$3.6 billion) since 1978:I, compared with a 15.8-percent national increase (table 7). In 1979:I, nondurable goods accounted over \$13.9 billion of retail sales, and durable goods accounted for almost \$8.1 billion.

TABLE 7.—Retail Sales, United States and California

	United States		California				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	21,013	18,463	23,464	22,043	11.2	11.7	15.8	19.4
Durable goods	55,388	68,203	n a	n a	7,734	8,094	15.3	---	23.1	---
Nondurable goods	112,552	126,356	1 n a	1 n a	15,730	13,949	9.2	---	12.3	---

n a Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and California

	United States		California				U.S.	State	U.S.	State
	1978 I	1979 I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n a	11,374	10,618	12,107	n a	13.2	6.4	---	---
Total number of business failures	1,729	n a	248	222	246	n a	-4.9	-8	---	---
Current liabilities (thousands of dollars)	697,734	n a	82,811	111,858	52,356	n a	13.7	-36.8	---	---
Average liability per failure (thousands of dollars)	404	n a	334	504	213	n a	19.4	-36.2	---	---
Business failures by industry										
Mining and manufacturing	271	n a	53	44	47	n a	6.0	-11.3	---	---
Construction	279	n a	34	34	37	n a	-8.2	8.8	---	---
Wholesale trade	205	n a	31	27	26	n a	-6.3	-16.1	---	---
Retail trade	769	n a	89	76	119	n a	-4	33.7	---	---
Commercial services	205	n a	41	41	28	n a	-23.5	-31.7	---	---

n a Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

COLORADO

Highlights

1978:I to 1979:I

Personal income

- Up 12.6%, same as in U.S., to \$23.0 billion
- Farm personal income down 5.2% vs. 25.1% increase in U.S.
- Payrolls up 28.0% in nondurables manufacturing vs. 9.9% in U.S.

Consumer prices

- Up 13.2% in Denver-Boulder vs. 9.9% in U.S.

Employment

- Up 4.1% vs. 3.8% in U.S., to 1.2 million

Unemployment

- Down 9,000 to 69,000
- Rate down to 5.3% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up 11.7% vs. 19.8% in U.S., to \$692.3 million
- Valuation of nonresidential contracts up 47.8% vs. 28.0% in U.S.
- Number of dwelling-unit starts down 14.1% vs. a 2.6% increase in U.S.

TABLE 1.—Summary of Economic Indicators, United States and Colorado

	United States		Colorado				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
All indicators, except income, not seasonally adjusted							Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	19,878	20,389	22,310	22,958	12.6	12.2	12.6	12.6
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	13,107	13,536	14,813	15,365	12.6	13.0	12.8	13.5
Civilian employment (thousands)	91,401	94,901	1,184	1,180	1,242	1,228	3.9	4.9	3.8	4.1
Unemployment (thousands) ..	6,705	6,360	72	78	68	69	-8.8	-6.1	-5.1	-11.9
Percent unemployed (unemployment/labor force)	6.8	6.3	5.7	6.2	5.2	5.3	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	6,616	6,826	7,729	n.a.	15.6	16.8	---	---
Total deposits (millions of dollars) ..	911,772	n.a.	9,635	9,700	10,999	n.a.	9.3	14.2	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	690,053	619,803	695,382	692,265	16.8	.8	19.8	11.7
Dwelling units started (number)	404,171	414,826	8,892	10,253	8,249	8,805	-2	-7.2	2.6	-14.1
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	1,823	2,133	2,278	n.a.	13.2	25.0	---	---
Business failures (number)	1,729	n.a.	7	4	4	n.a.	-4.9	-42.9	---	---
Consumer Price Index (1967=100):										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Denver—Boulder	---	---	---	195.7	212.9	221.5	---	---	---	13.2

n.a. Data not available.

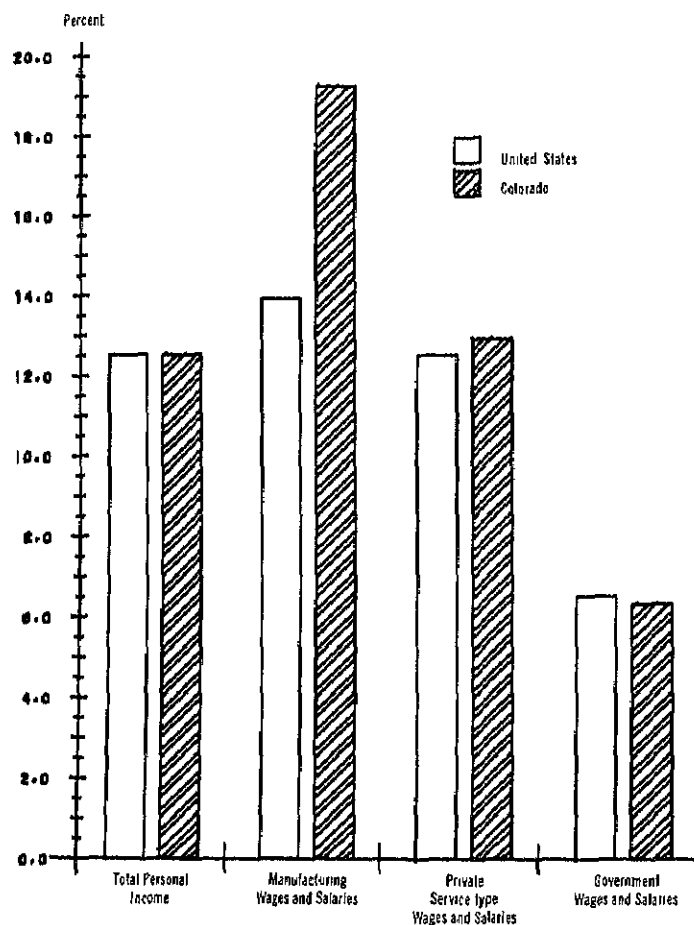
Source See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Colorado increased 12.6 percent from 1978:I to 1979:I, the same as nationally (table 2). The State's percentage increase, the smallest in the Rocky Mountain region, brought personal income to a total of almost \$23 billion, up \$2.6 billion since 1978:I. During the same timespan, the Consumer Price Index for Denver-Boulder increased 13.2 percent, compared with a 9.9-percent national city average increase (table 3). If this increase is representative of price changes throughout the State, total personal income sustained a real decline of about 0.6 percent, compared with a real increase nationally of about 2.7 percent.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) in Colorado increased 13.5 percent from 1978:I to 1979:I versus 12.8 percent nationally. In 1979:I, they totaled \$15.4 billion, up \$1.8 billion since 1978:I. Payrolls in nondurables manufacturing increased 28.0 percent, more than in any other State and almost three times the national increase. Payroll increases in transportation-communication-public utilities (17.5 percent) and services (12.5 percent) also exceeded those of national counterparts (11.5 percent and 11.7 percent, respectively). In addition, State and local government payrolls increased 8.2 percent versus 6.1 percent nationally.

In contrast, mining payrolls increased 36.8 percent versus 59.5 percent nationally, and construction payrolls increased 14.8 percent versus 21.3 percent nationally. Durables manufacturing payrolls, which accounted for 64 percent of total manufacturing payrolls in 1979:I, increased 14.9 percent, compared with 16.2 percent in the Nation.

The private service-type industries with payroll increases that lagged those of national counterparts were trade (up 12.0 percent versus 13.7 percent nationally) and finance-insurance-real estate (up 11.3 percent versus 13.3 percent nationally). Colorado's percentage increase in trade payrolls was one of the 10 smallest in the Nation.

Federal Government payrolls increased only 4.0 percent, compared with 7.6 percent in the Nation; only three States—North Dakota, South Dakota, and Montana—registered smaller percentage changes during this timespan.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

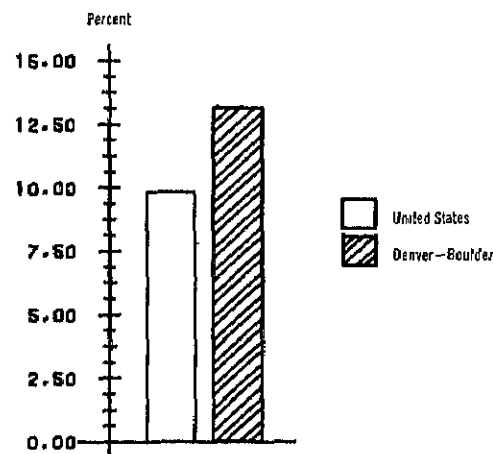


Chart 3.—Total Personal Income

[Seasonally adjusted]

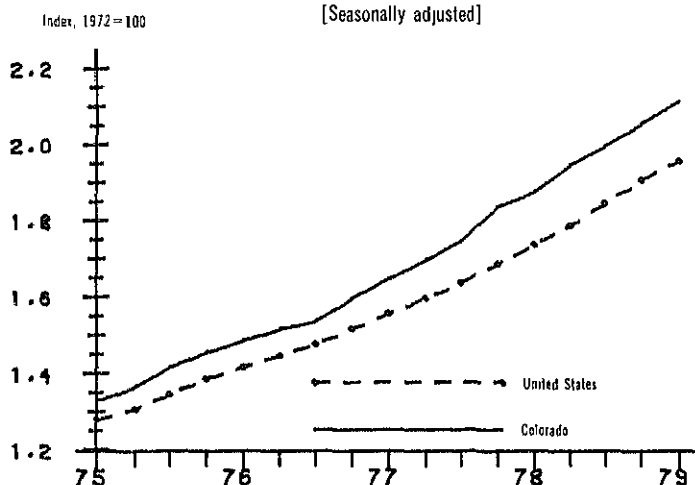


Chart 4.—Industrial Composition of Wages and Salaries

[Seasonally adjusted]

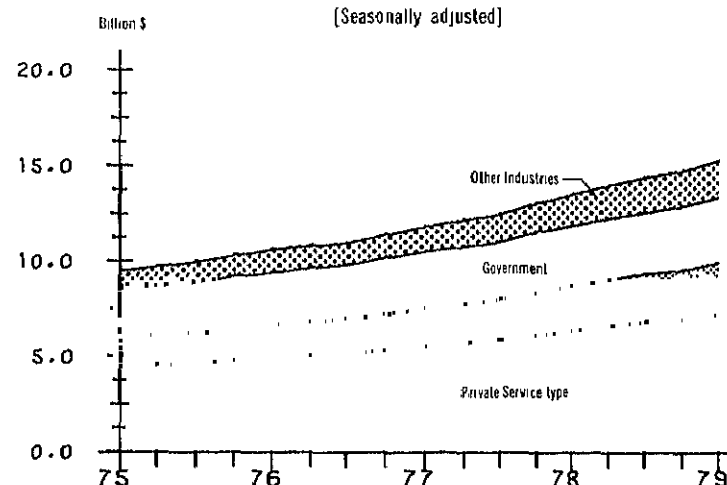


TABLE 2.—Personal Income, United States and Colorado

	United States		Colorado				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV-- 1978 IV		1978 I-- 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ¹			
Total personal income	1,624,665	1,829,515	19,878	20,389	22,310	22,958	12.6	12.2	12.6	12.6
Farm personal income	32,083	40,141	420	353	368	334	26.3	-12.5	25.1	-5.2
Nonfarm personal income	1,592,582	1,789,374	19,458	20,036	21,943	22,624	12.3	12.8	12.4	12.9
Total personal income	1,624,665	1,829,515	19,878	20,389	22,310	22,958	12.6	12.2	12.6	12.6
Wage and salary disbursements	1,042,716	1,176,598	13,107	13,536	14,813	15,365	12.6	13.0	12.8	13.5
Other labor income	99,957	115,833	1,058	1,111	1,251	1,308	16.4	18.2	15.9	17.8
Proprietors' income	108,808	126,535	1,437	1,422	1,550	1,522	18.9	7.9	16.3	7.0
Farm	24,448	31,221	308	240	245	204	31.3	-20.6	27.7	-14.9
Nonfarm	84,360	95,314	1,129	1,181	1,305	1,317	15.3	15.6	13.0	11.5
Dividends, interest, and rent	221,191	250,595	2,703	2,789	3,053	3,164	12.8	12.9	13.3	13.4
Transfer payments	219,202	238,794	2,310	2,331	2,502	2,546	8.2	8.3	8.9	9.3
State unemployment insurance benefits	9,997	8,023	95	68	57	50	-30.3	-39.2	-19.7	-26.1
Less personal contributions	66,792	78,351	731	793	852	941	15.1	16.5	17.3	18.6
Plus residence adjustment	-417	-489	-5	-6	-6	-6	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	13,107	13,536	14,813	15,365	12.6	13.0	12.8	13.5
Farm	7,215	8,422	109	109	119	126	10.6	9.4	16.7	15.4
Nonfarm	1,035,501	1,168,176	12,998	13,426	14,694	15,239	12.6	13.0	12.8	13.5
Mining	12,013	19,166	476	461	604	630	33.9	26.9	59.5	36.8
Construction	56,564	68,593	906	1,004	1,090	1,152	20.1	20.3	21.3	14.8
Manufacturing	285,735	325,636	2,250	2,321	2,611	2,769	13.3	16.0	14.0	19.3
Durable goods	182,321	211,944	1,451	1,539	1,658	1,768	15.2	14.3	16.2	14.9
Nondurable goods	103,414	113,692	800	782	953	1,001	10.0	19.2	9.9	28.0
Private service type	473,132	532,823	6,138	6,415	6,985	7,251	13.1	13.8	12.6	13.0
Transportation, communication, and public utilities	79,598	88,755	1,053	1,098	1,228	1,290	11.3	16.6	11.5	17.5
Wholesale and retail trade	177,331	201,608	2,400	2,489	2,685	2,789	14.1	11.9	13.7	12.0
Finance, insurance, and real estate	55,930	63,373	727	782	838	870	13.2	15.2	13.3	11.3
Services	160,273	179,087	1,959	2,047	2,235	2,302	12.7	14.1	11.7	12.5
Government	204,558	218,008	3,191	3,186	3,362	3,392	6.9	5.4	6.6	6.4
Federal	68,698	73,916	1,348	1,340	1,372	1,394	7.1	1.8	7.6	4.0
State and local	135,860	144,092	1,843	1,847	1,990	1,998	6.8	8.0	6.1	8.2
Other	3,499	3,950	36	40	42	45	14.6	15.1	12.9	13.3

1 Detail may not add to totals because of rounding.

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Colorado¹

	United States		Colorado				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I		
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Denver—Boulder	---	---	---	195.7	212.9	221.5	---	---	---	13.2

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2 Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Colorado's civilian labor force increased 3.1 percent versus 3.2 percent nationally (table 4). Total employment in the State increased 4.1 percent versus 3.8 percent in the Nation, to 1.2 million.

With the labor force increasing about 39,000 and employment increasing about 48,000, the number of unemployed in Colorado declined 9,000, to 69,000. The State's unemployment rate declined 0.9

percentage point to 5.3 percent of the labor force, compared with 6.3 percent in the Nation.

In March 1979, the preliminary unemployment rate in Denver-Boulder, the State's major metropolitan area, was 4.6 percent, down 0.8 percentage point since March 1978. Statewide, the unemployment rate for March 1979 was 5.2 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Colorado

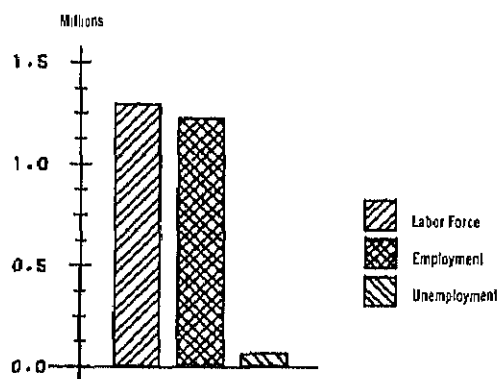


Chart 6.—Unemployment Rates, 1978:I—1979:I

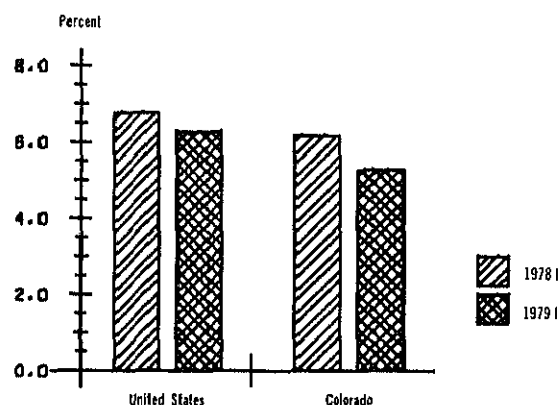


TABLE 4.—Labor Force, United States and Colorado

	United States		Colorado				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls..	84,207	86,680	1,097	1,090	1,167	1,157	4.2	6.4	2.9	6.2
Mining	730	896	25	25	28	29	14.4	11.8	22.7	12.6
Construction	3,784	3,973	68	63	76	67	11.2	11.0	5.0	6.2
Manufacturing	20,064	20,652	159	159	173	172	3.6	8.9	2.9	8.4
Transportation, communication, and public utilities	4,779	4,943	65	66	71	72	4.4	10.2	3.4	9.3
Wholesale and retail trade	18,937	19,549	278	272	292	288	4.5	5.1	3.2	5.7
Finance, insurance, and real estate	4,601	4,790	64	66	69	70	5.2	8.0	4.1	6.7
Services	15,758	16,149	215	222	237	240	4.4	10.3	2.5	8.3
Government	15,435	15,648	223	218	221	221	1.4	-1.0	1.4	1.2
Civilian labor force ³	98,106	101,260	1,256	1,258	1,310	1,297	3.1	4.3	3.2	3.1
Total employed	91,401	94,901	1,184	1,180	1,242	1,228	3.9	4.9	3.8	4.1
Total unemployed	6,705	6,360	72	78	68	69	-8.8	-6.1	-5.1	-11.9
Percent unemployed	6.8	6.3	5.7	6.2	5.2	5.3	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

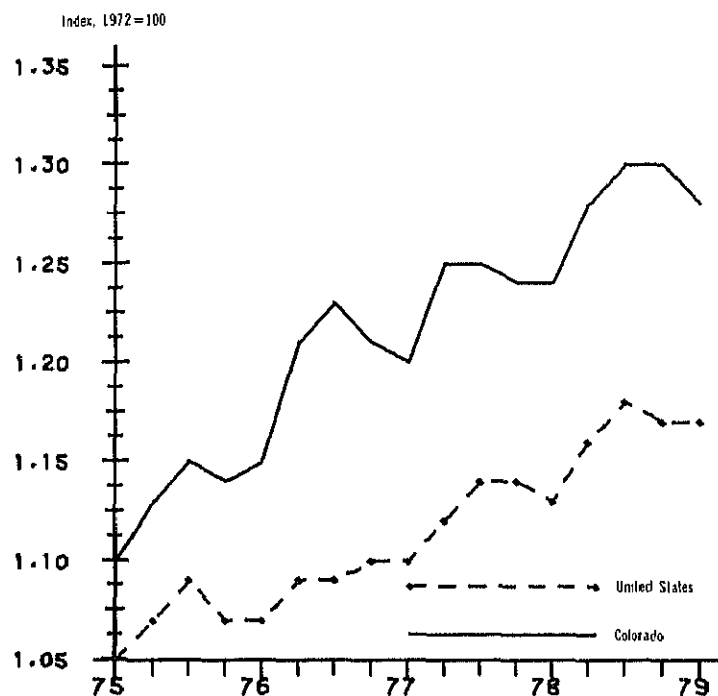


Chart 8.—Civilian Employment

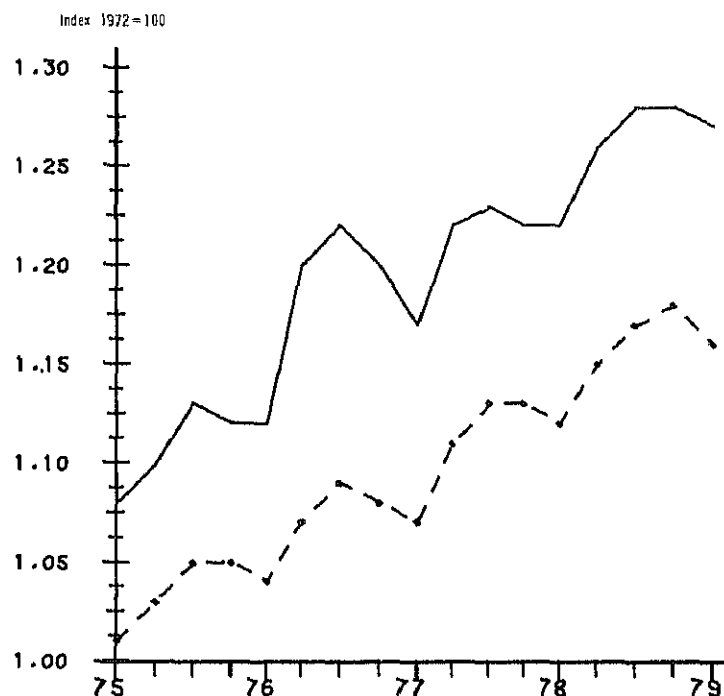


Chart 9.—Unemployment Rate

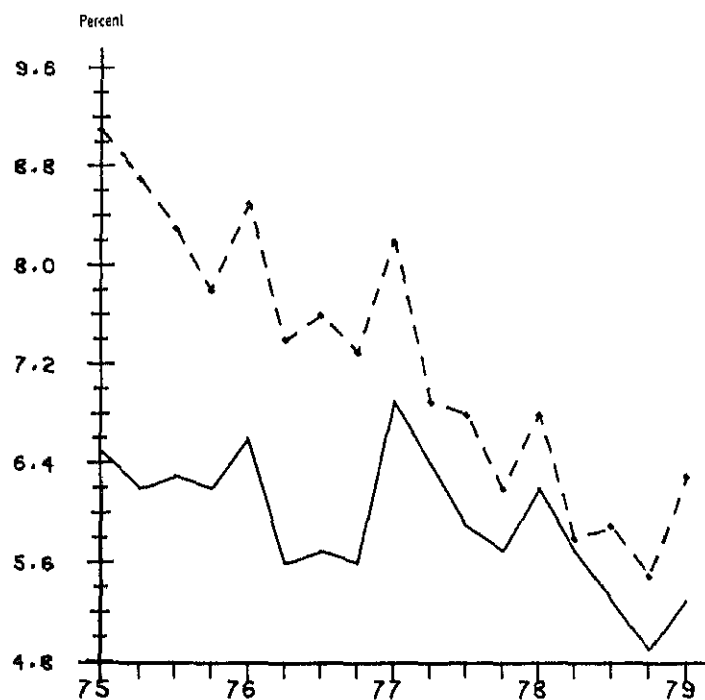
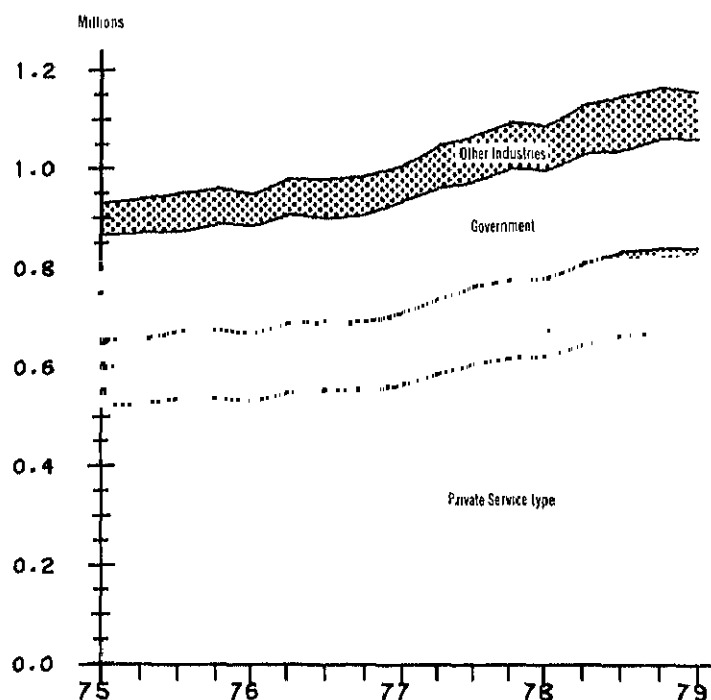


Chart 10.—Industrial Composition of Nonagricultural Employment: Colorado



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Colorado

	United States		Colorado				U S	State	U S	State
	1978.I	1979.I	1977.IV	1978.I	1978.IV	1979.I	1977.IV-- 1978.IV	1978.I-- 1979.I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	6,616	6,826	7,729	n.a.	15.6	16.8	---	---
Commercial and industrial	202,241	n.a.	2,085	2,193	2,426	n.a.	13.3	16.3	---	---
Loans to individuals	143,356	n.a.	1,859	1,869	2,162	n.a.	18.7	16.3	---	---
Real estate	183,599	n.a.	1,550	1,629	1,914	n.a.	19.6	23.5	---	---
Residential	104,830	n.a.	755	807	915	n.a.	22.1	21.2	---	---
Farms	7,919	n.a.	40	35	42	n.a.	9.6	5.6	---	---
Other	70,851	n.a.	755	787	957	n.a.	17.0	26.7	---	---
Farms, excluding real estate	25,440	n.a.	690	696	728	n.a.	9.5	5.5	---	---
Other	64,581	n.a.	432	440	500	n.a.	7.9	15.6	---	---
Total deposits	911,772	n.a.	9,635	9,700	10,999	n.a.	9.3	14.2	---	---
Demand	344,245	n.a.	4,344	4,098	4,915	n.a.	5.6	13.1	---	---
Time and savings	567,527	n.a.	5,292	5,603	6,084	n.a.	11.9	15.0	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in Colorado increased 16.8 percent from 1977:IV to 1978:IV versus 15.6 percent nationally (table 5). In 1978:IV, bank loans in the State totaled \$7.7 billion, up \$1.1 billion since 1977:IV. Increases in commercial and industrial loans (16.3 percent) and real estate loans (23.5 percent) outpaced corresponding national increases by about 3 percentage points, while the increase in loans to individuals (16.3 percent) was about 2 percentage points below that of the Nation.

Total deposits in Colorado increased 14.2 percent from 1977:IV to 1978:IV, almost 5 percentage points more than nationally. The State's percentage increase, the fifth largest in the Nation, brought bank deposits to a total of almost \$11.0 billion in 1978:IV, up \$1.4 billion since 1977:IV. Demand deposits increased 13.1 percent versus 5.6 percent nationally, and time and savings deposits increased 15.0 percent versus 11.9 percent nationally. Colorado's increases in both demand and time and savings deposits were among the 10 largest in the Nation.

From 1978:I to 1979:I, the total valuation of construction contracts increased 11.7 percent, to \$692 million, compared with a national increase of 19.8 percent (table 6). If the year-to-year increase in national construction costs, about 14 percent, is taken as an indicator of the year-to-year increase in State construction costs, the total real valuation of contracts declined about 2 percent in Colorado, compared with a real increase of about 6 percent in the Nation.

Residential housekeeping contracts declined 7.8 percent in valuation (\$26.3 million) versus a national increase of 11.8 percent. It should be noted, however, that in 1978:I, three contracts for the construction of one-family houses in Arapahoe County, which totaled about \$87 million, raised the State's residential housekeeping valuation to an abnormally high level, thereby distorting the subsequent year-to-year change. Excluding these large contracts for 1978:I, as well as an additional \$32 million contract in 1979:I for the construction of one-family houses in Arapahoe County, the residential housekeeping valuation in Colorado would have increased 11.5 percent, only slightly less than the national rate of increase. Residential nonhousekeeping contracts increased 29.4 percent in valuation (\$2.4 million) versus 54.1 percent in the Nation.

Nonbuilding contracts increased 5.9 percent in valuation (\$3.7 million) in the State, only one-fourth of the national rate of increase. In contrast, the street and highway component of nonbuilding contracts increased 130.9 percent in valuation (\$9.2 million) versus a 61.2-percent increase nationally.

The valuation of contracts for additions and alterations to the State's residential housekeeping units increased \$26.4 million, a 36.3-percent increase, compared with a 17.9-percent increase in the Nation. Only three States registered larger percentage increases during this timespan: Nevada, Arizona, and California.

Nonresidential contracts increased 47.8 percent in valuation (\$66.2 million), about 20 percentage points more than the national increase. The State's large increase was due in part to a \$25 million contract in 1979:I for the construction of office buildings in Denver County. Excluding this contract, the valuation of nonresidential contracts in Colorado would have increased 29.8 percent, only slightly more than nationally.

Chart 14.—Construction Contracts—Total Valuation

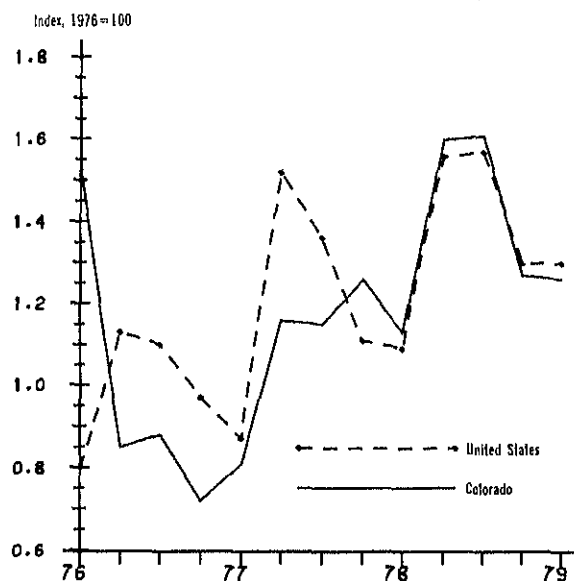


Chart 15.—Construction Contracts—Valuation of Contracts by Type:

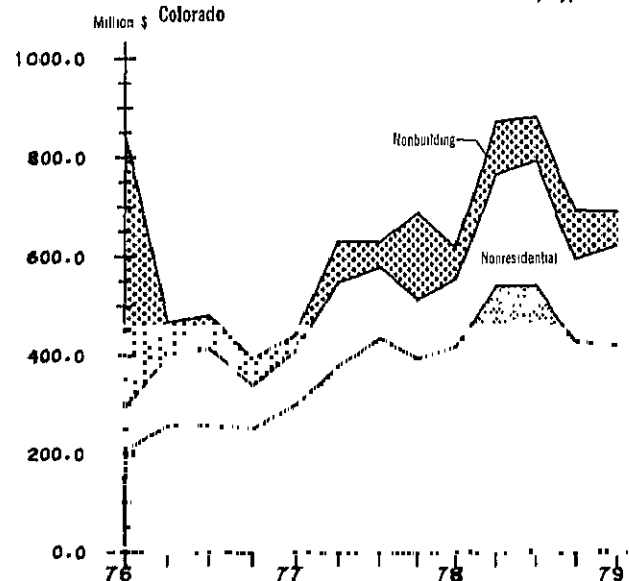


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

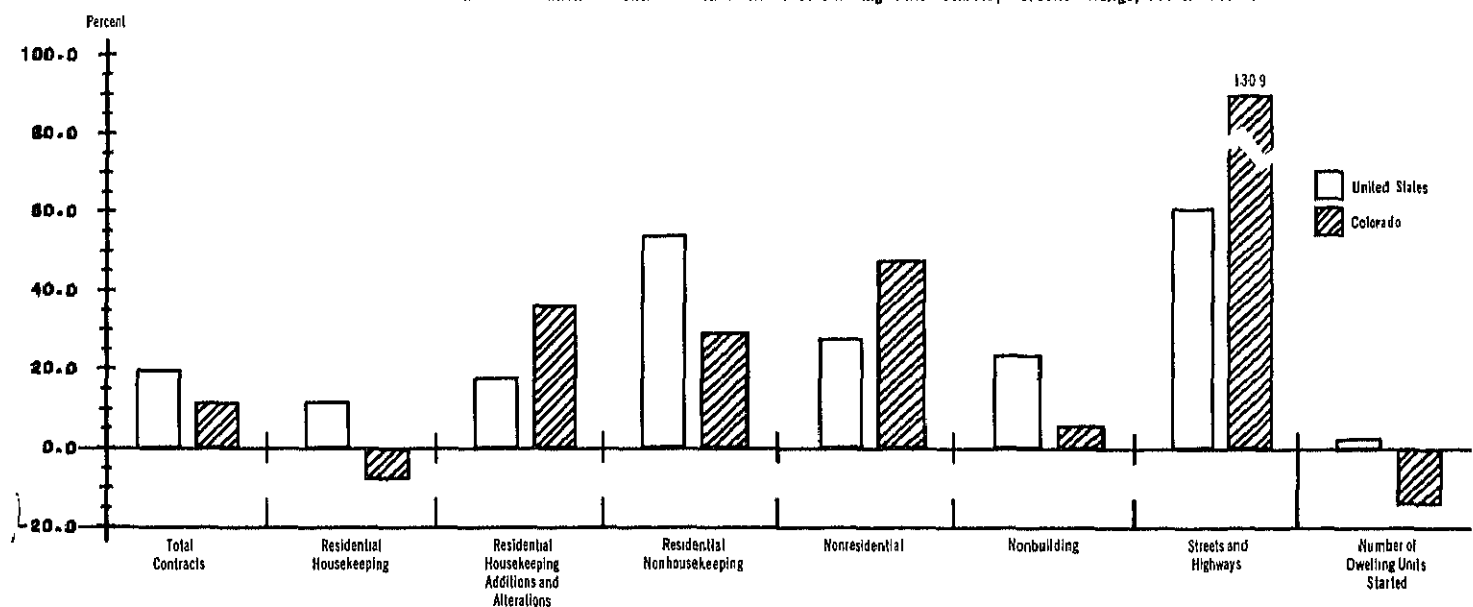


TABLE 6.—Construction Contracts, United States and Colorado¹

	United States		Colorado				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	690,053	619,803	695,382	692,265	16.8	.8	19.8	11.7
Residential housekeeping, additions and alterations.										
Valuation (thousands of dollars)	5,904,299	6,962,771	93,543	72,638	121,285	99,041	14.6	29.7	17.9	36.3
All other contracts										
Number of contracts	53,028	53,454	703	715	688	676	-9.3	-2.1	8	-5.5
Valuation (thousands of dollars)	32,202,931	38,675,376	596,510	547,165	574,097	593,224	17.3	-3.8	20.1	8.4
Floor area (thousands of square feet)	807,538	904,811	14,282	17,088	16,022	16,285	10.3	12.2	12.0	-4.7
Residential housekeeping										
Number of contracts	13,582	14,399	227	250	243	246	-4.3	7.0	5.9	-1.6
Number of dwelling units	404,171	414,826	8,892	10,253	8,249	8,805	-2	-7.2	2.6	-14.1
Valuation (thousands of dollars)	13,806,696	15,431,523	278,396	337,160	303,133	310,823	15.6	8.9	11.8	-7.8
Floor area (thousands of square feet)	546,445	571,860	9,945	12,015	10,285	10,527	10.7	3.4	4.7	-12.4
Residential nonhousekeeping										
Number of contracts	441	464	10	10	5	6	-4	-50.0	5.2	-40.0
Valuation (thousands of dollars)	327,201	504,158	23,263	8,304	6,492	10,749	54.9	-72.1	54.1	29.4
Floor area (thousands of square feet)	8,179	11,483	556	302	147	249	34.7	-73.5	40.4	-17.3
Nonresidential										
Number of contracts	25,282	23,514	306	311	309	302	-12.0	1.0	-7.0	-2.9
Valuation (thousands of dollars)	9,056,146	11,595,243	119,952	138,430	167,132	204,654	16.3	39.3	28.0	47.8
Floor area (thousands of square feet)	252,915	321,468	3,780	4,771	5,590	5,508	8.7	47.9	27.1	15.5
Nonbuilding										
Number of contracts	13,713	15,077	160	144	131	122	-9.1	-18.1	9.9	-15.3
Valuation (thousands of dollars)	9,012,888	11,144,452	174,899	63,271	97,340	66,998	20.6	-44.3	23.7	5.9
Streets and Highways										
Number of contracts	3,989	4,750	47	32	32	32	-17.8	-31.9	19.1	0
Valuation (thousands of dollars)	1,399,453	2,255,221	25,494	9,462	52,914	21,849	-18.1	107.6	61.2	130.9

1 Contracts started or expected to start within 60 days.

2 Percent changes for floor area based on unrounded data.

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales for Colorado are not available.

TABLE 7.—Retail Sales, United States and Colorado

	United States		Colorado				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available.

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Colorado

	United States		Colorado				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,823	2,133	2,278	n.a.	13.2	25.0	---	---
Total number of business failures	1,729	n.a.	7	4	4	n.a.	-4.9	-42.9	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	560	155	523	n.a.	13.7	-6.6	---	---
Average liability per failure (thousands of dollars)	404	n.a.	80	39	131	n.a.	19.4	63.8	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	0	1	n.a.	6.0	---	---	---
Construction	279	n.a.	1	1	0	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	1	0	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	2	2	3	n.a.	-4	50.0	---	---
Commercial services	205	n.a.	3	1	0	n.a.	-23.5	---	---	---

n.a. Data not available.

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 11.4%, 1.2 percentage points less than in U.S. —Wages and salaries up about as much as in U.S.
Consumer prices	—Up 7.9% in Boston and 7.1% in the New York City-Northeast New Jersey area vs. 9.9% in U.S.
Employment	—Up 5.2% vs. 3.8% in U.S., to almost 1.5 million
Unemployment	—Little changed, at somewhat more than 90,000 —Rate down to 6.0% of labor force vs. 6.3% in U.S.
Construction	—Total valuation of contracts up 55.9% vs. 19.8% in U.S., to \$416 million —Large gain in valuation of nonresidential contracts —Number of dwelling-unit starts up 51.1% vs. 2.6% in U.S., to 2,625

TABLE 1.—Summary of Economic Indicators, United States and Connecticut

	United States		Connecticut				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979 I	1977:IV— 1978:IV	1978:I— 1979 I	1978:I— 1979 I	1978:I— 1979 I
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	26,015	26,544	28,737	29,562	12.6	10.5	12.6	11.4
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	16,045	16,418	17,886	18,494	12.6	11.5	12.8	12.6
Civilian employment (thousands)	91,401	94,901	1,418	1,379	1,464	1,451	3.9	3.2	3.8	5.2
Unemployment (thousands)	6,705	6,360	82	93	65	92	-8.8	-20.8	-5.1	-8
Percent unemployed (unemployment/labor force)	6.8	6.3	5.5	6.3	4.3	6.0	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	5,633	5,784	6,701	n.a.	15.6	19.0	---	---
Total deposits (millions of dollars)	911,772	n.a.	8,987	8,426	9,613	n.a.	9.3	7.0	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	489,583	266,933	574,309	416,137	16.8	17.3	19.8	55.9
Dwelling units started (number)	404,171	414,826	3,751	1,737	3,427	2,625	-2	-8.6	2.6	51.1
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	1,223	1,342	1,401	n.a.	13.2	14.6	---	---
Business failures (number)	1,729	n.a.	11	21	21	n.a.	-4.9	90.9	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Boston	---	---	185.3	187.7	199.2	202.5	---	7.5	---	7.9
New York City—Northeast New Jersey	---	---	188.3	190.8	200.0	204.4	---	6.2	---	7.1

n.a. Data not available

Source. See tables 2 through 8.

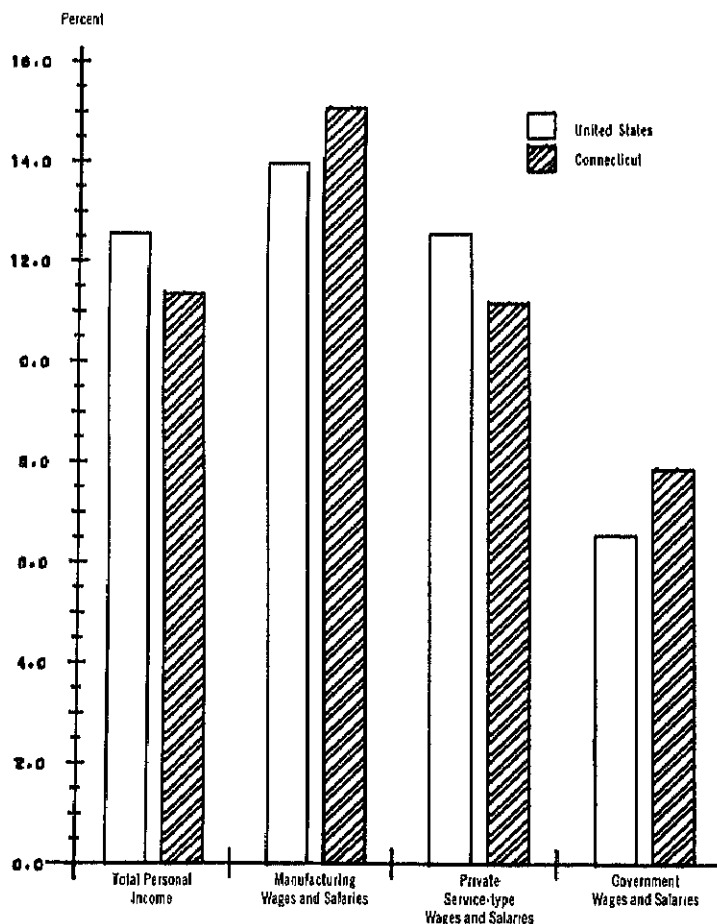
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.4 percent from 1978:I to 1979:I, 1.2 percentage points less than in the Nation (table 2). In 1979:I, Connecticut's total personal income was \$29.6 billion, for an increase of \$3.1 billion since 1978:I. The income increase in each New England State was near the national average.

Consumer prices from 1978:I to 1979:I increased 7.9 percent in the Boston metropolitan area and 7.1 percent in the New York City-Northeast New Jersey area; both increases were well below the national increase of 9.9 percent (table 3). If the average price increase in these areas—7.5 percent—is used as an indicator for price movements in the State, real total personal income in Connecticut increased 3.9 percent from year to year versus 2.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I–1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 12.6 percent in Connecticut, nearly as much as in the Nation. In 1979:I, they totaled \$18.5 billion, for an increase of \$2.1 billion since 1978:I. Manufacturing payrolls increased 15.1 percent in Connecticut versus 14.0 percent in the Nation. Increases in the State in both durable and nondurable goods were larger than in the Nation. Durable goods manufacturing payrolls increased 16.5 percent in the State and 16.2 percent in the Nation. Durable goods payrolls accounted for more than 30 percent of Connecticut's total payrolls in 1979:I, in contrast to a national weight of 18 percent. The State's 25.8-percent increase in construction payrolls was also above the national increase.

In contrast, the increase in Connecticut in private service-type industries was 11.2 percent versus 12.6 percent in the Nation. The lag was particularly pronounced in finance-insurance-real estate; in contrast, the increase in wholesale and retail trade was above that in the Nation.

Government payrolls were strong in Connecticut, up 7.9 percent versus 6.6 percent in the Nation. Strength extended to both Federal Government payrolls and State and local government payrolls.

Chart 2.—Consumer Price Index, Percent Change, 1978:I–1979:I

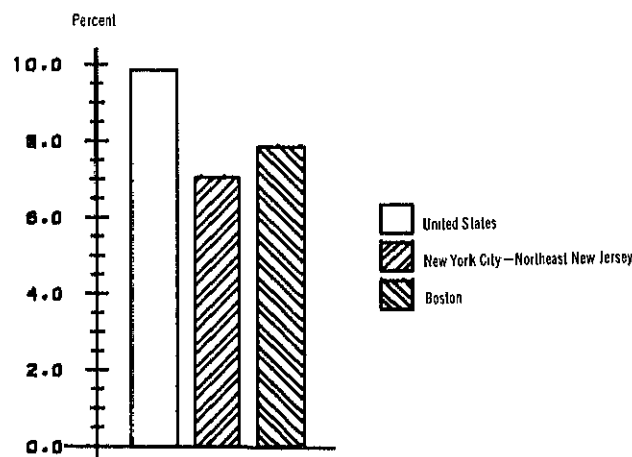


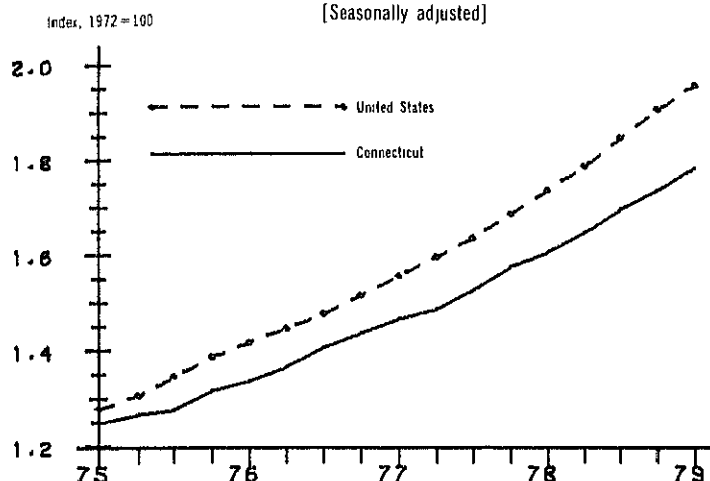
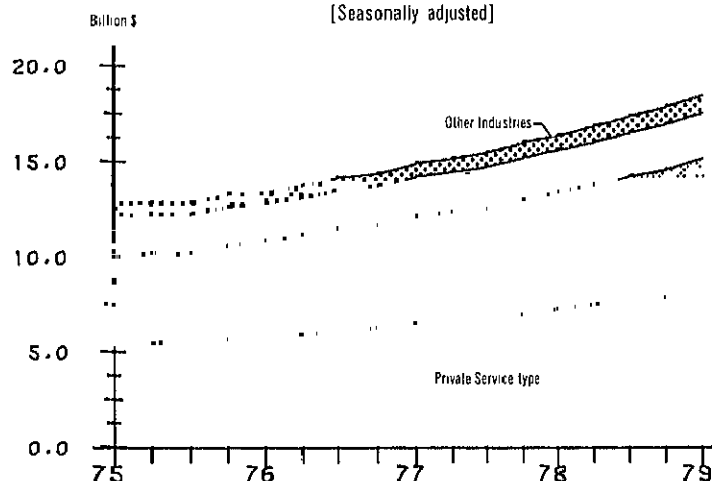
Chart 3.—Total Personal Income
[Seasonally adjusted]Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

TABLE 2.—Personal Income, United States and Connecticut

	United States		Connecticut				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978:IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
Millions of dollars, seasonally adjusted at annual rates ¹							Percent change ²			
Total personal income	1,624,665	1,829,515	26,015	26,544	28,737	29,562	12.6	10.5	12.6	11.4
Farm personal income	32,083	40,141	96	92	79	84	26.3	-17.6	25.1	-8.5
Nonfarm personal income	1,592,582	1,789,374	25,919	26,452	28,658	29,478	12.3	10.6	12.4	11.4
Total personal income	1,624,665	1,829,515	26,015	26,544	28,737	29,562	12.6	10.5	12.6	11.4
Wage and salary disbursements	1,042,716	1,176,598	16,045	16,418	17,886	18,494	12.6	11.5	12.8	12.6
Other labor income	99,957	115,833	1,630	1,690	1,857	1,935	16.4	14.0	15.9	14.5
Proprietors' income	108,808	126,535	1,261	1,267	1,375	1,377	18.9	9.1	16.3	8.7
Farm	24,448	31,221	33	29	11	12	31.3	-67.1	27.7	-58.1
Nonfarm	84,360	95,314	1,227	1,238	1,364	1,365	15.3	11.2	13.0	10.2
Dividends, interest, and rent	221,191	250,595	4,190	4,292	4,641	4,788	12.8	10.8	13.3	11.6
Transfer payments	219,202	238,794	3,020	3,057	3,163	3,252	8.2	4.7	8.9	6.4
State unemployment insurance benefits	9,997	8,023	247	227	109	135	-30.3	-55.7	-19.7	-40.3
Less personal contributions	66,792	78,351	991	1,058	1,120	1,230	15.1	13.0	17.3	16.2
Plus residence adjustment	-417	-489	862	877	935	946	--	--	--	--
Wage and salary disbursements	1,042,716	1,176,598	16,045	16,418	17,886	18,494	12.6	11.5	12.8	12.6
Farm	7,215	8,422	58	58	63	67	10.6	8.7	16.7	14.6
Nonfarm	1,035,501	1,168,176	15,987	16,360	17,823	18,427	12.6	11.5	12.8	12.6
Mining	12,013	19,166	38	48	35	35	33.9	-6.7	59.5	-26.2
Construction	56,564	68,593	650	625	762	786	20.1	17.3	21.3	25.8
Manufacturing	285,735	325,636	6,054	6,134	6,709	7,059	13.3	10.8	14.0	15.1
Durable goods	182,321	211,944	4,772	4,808	5,308	5,599	15.2	11.2	16.2	16.5
Non-durable goods	103,414	113,692	1,282	1,326	1,401	1,460	10.0	9.3	9.9	10.0
Private service type	473,132	532,823	7,016	7,316	7,903	8,133	13.1	12.7	12.6	11.2
Transportation, communication, and public utilities	79,598	88,755	872	888	956	986	11.3	9.6	11.5	11.0
Wholesale and retail trade	177,331	201,608	2,446	2,562	2,833	2,935	14.1	15.8	13.7	14.6
Finance, insurance, and real estate	55,930	63,373	1,171	1,259	1,321	1,350	13.2	12.7	13.3	7.3
Services	160,273	179,087	2,526	2,607	2,794	2,862	12.7	10.6	11.7	9.8
Government	204,558	218,008	2,196	2,199	2,375	2,373	6.9	8.2	6.6	7.9
Federal	68,698	73,916	515	525	572	569	7.1	11.1	7.6	8.2
State and local	135,860	144,092	1,681	1,674	1,803	1,804	6.8	7.3	6.1	7.8
Other	3,499	3,950	34	37	38	41	14.6	11.2	12.9	9.6

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Connecticut¹

	United States		Connecticut				U S	State	U S	State
	1978 I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977-IV- 1978 IV		1978:I- 1979:I	
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
New York City—Northeast New Jersey	---	---	185.3	187.7	199.2	202.5	---	7.5	---	7.9
Boston	---	---	188.3	190.8	200.0	204.4	---	6.2	---	7.1

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Connecticut's civilian labor force increased 4.8 percent, 1.6 percentage points more than in the Nation (table 4). Among all States, Connecticut's increase was the 12th largest and, along with Maine's, was the largest in the New England region. Total employment increased 5.2 percent in the State, 1.4 percentage points more than nationally, to almost 1.5 million. Connecticut's increase was the ninth largest among all States and the largest in the New England region.

With both the labor force and employment increasing about 70,000, the number of unemployed was little changed, at somewhat more than 90,000. Connecticut's unemployment rate declined 0.3 percentage point, to 6.0 percent in 1979:I, compared with 6.3 percent nationally.

Connecticut's unemployment rate was the second lowest in the New England region.

In March 1979, the preliminary unemployment rate in the State was 5.6 percent versus 6.2 percent a year previous. March 1979 rates in the major metropolitan areas of the State ranged from 3.9 percent in "white collar" Stamford to 6.6 percent in "blue collar" Waterbury. The rate in Hartford—the largest metropolitan area in the State—was 5.2 percent. From year to year, unemployment rates were down by somewhat less than 1 percentage point in all major areas except Waterbury, where the rate was down 1.3 percentage points.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I
Connecticut

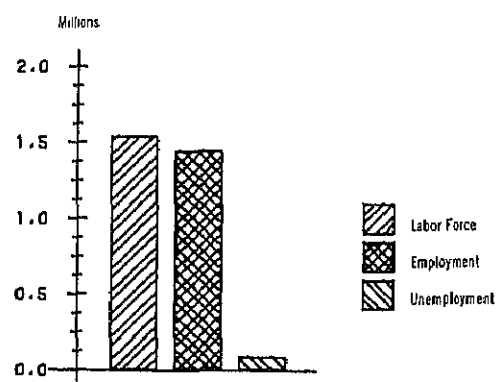


Chart 6.—Unemployment Rates, 1978:I—1979:I

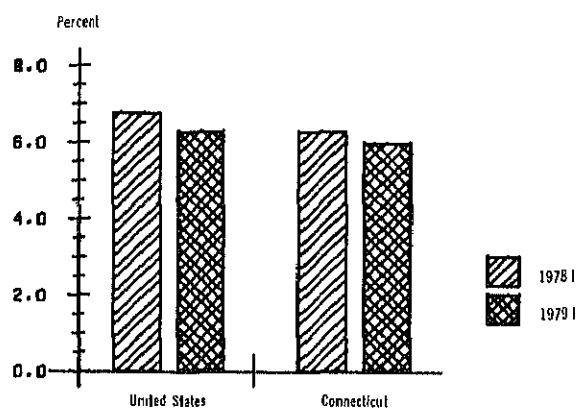


TABLE 4.—Labor Force, United States and Connecticut

	United States		Connecticut				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV		1978:I— 1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,315	1,295	1,387	1,368	4.2	5.5	2.9	5.6
Mining and construction	4,308	4,550	48	38	52	42	11.3	7.4	5.6	10.8
Manufacturing	20,064	20,652	411	409	430	433	3.6	4.5	2.9	5.9
Transportation, communication, and public utilities	4,779	4,943	57	57	59	58	4.4	3.7	3.4	3.2
Wholesale and retail trade	18,937	19,549	278	270	295	286	4.5	6.1	3.2	5.7
Finance, insurance, and real estate	4,601	4,790	92	92	97	97	5.2	5.7	4.1	5.0
Services	15,758	16,149	248	248	267	264	4.4	7.7	2.5	6.3
Government	15,435	15,648	181	180	187	187	1.4	3.5	1.4	3.9
Civilian labor force ³	98,106	101,260	1,500	1,473	1,529	1,543	3.1	1.9	3.2	4.8
Total employed	91,401	94,901	1,418	1,379	1,464	1,451	3.9	3.2	3.8	5.2
Total unemployed	6,705	6,360	82	93	65	92	-8.8	-20.8	-5.1	-8.8
Percent unemployed	6.8	6.3	5.5	6.3	4.3	6.0	----	----	----	----

¹ Detail may not add to totals because of rounding

² Based on unrounded data

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

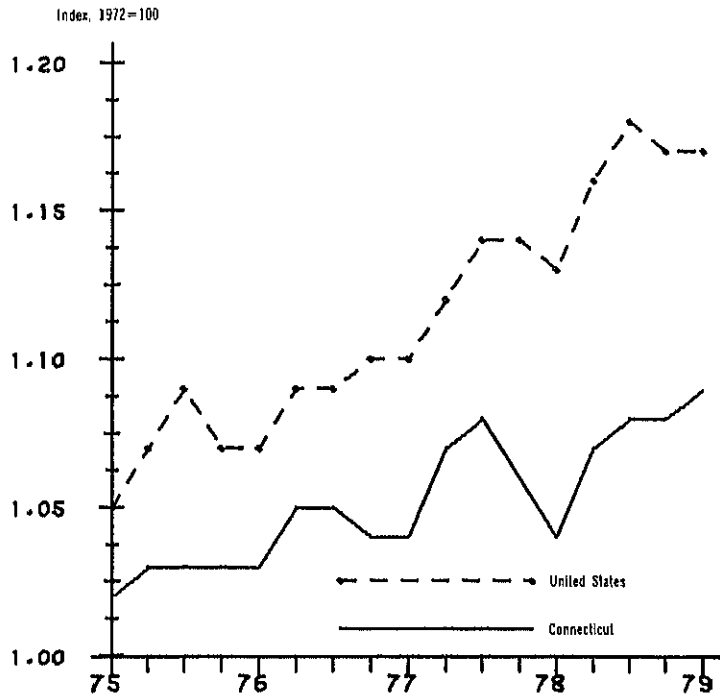


Chart 8.—Civilian Employment

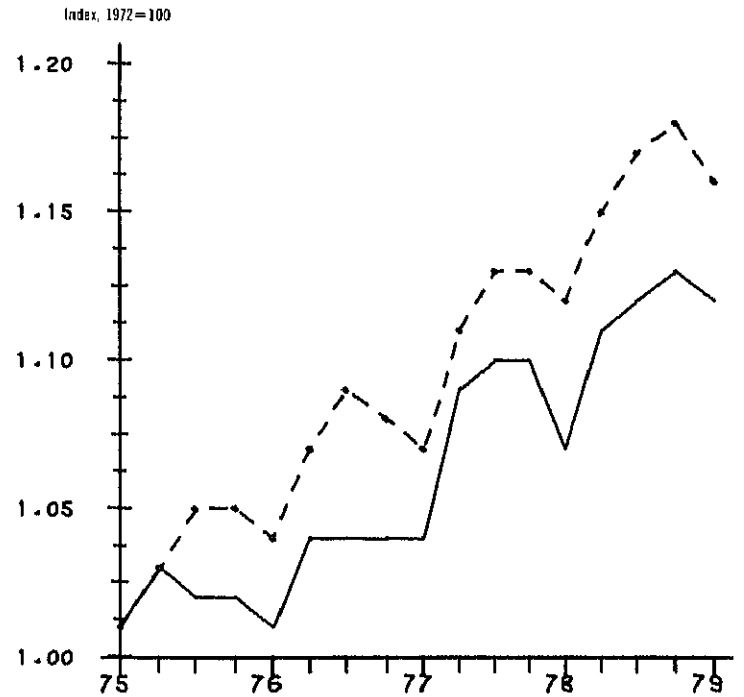


Chart 9.—Unemployment Rate

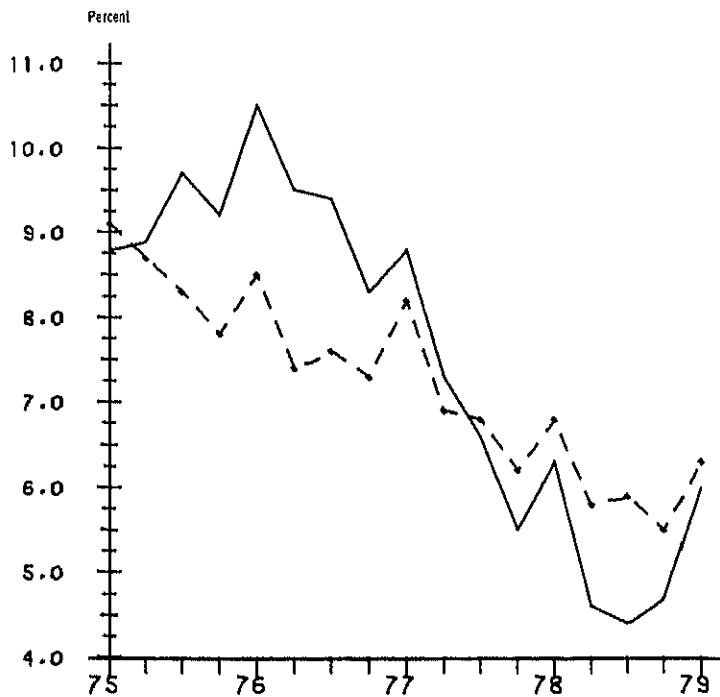
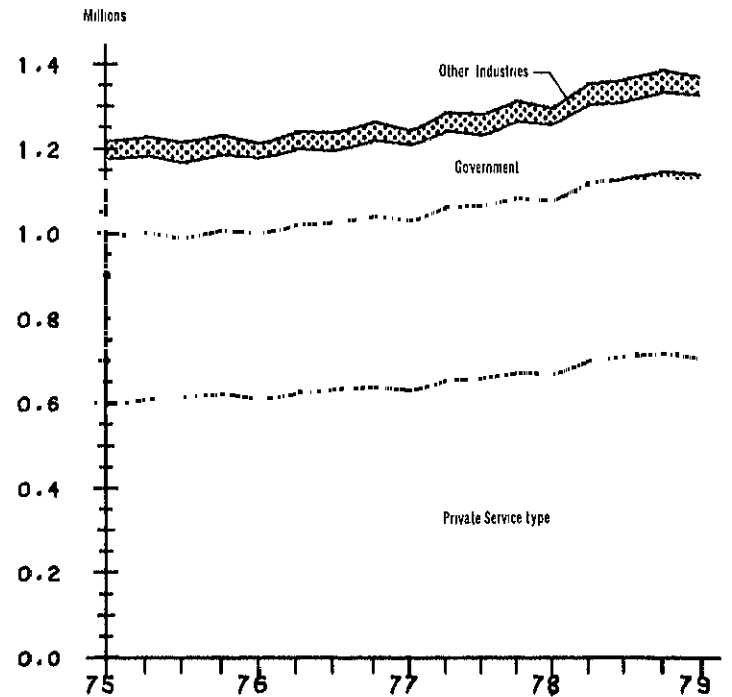


Chart 10.—Industrial Composition of Nonagricultural Employment: Connecticut



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Connecticut

	United States		Connecticut				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
Millions of dollars, not seasonally adjusted ¹							Percent change ²			
Total loans	619,218	na	5,633	5,784	6,701	na.	15.6	19.0	---	---
Commercial and industrial	202,241	na	1,674	1,745	2,017	na	13.3	20.5	---	---
Loans to individuals	143,356	na	1,602	1,600	1,861	na	18.7	16.1	---	---
Real estate	183,599	na	2,019	2,088	2,472	na	19.6	22.4	---	---
Residential	104,830	na	1,338	1,371	1,634	na	22.1	22.1	---	---
Farms	7,919	na	2	3	3	na	9.6	63.8	---	---
Other	70,851	na	679	713	835	na	17.0	22.9	---	---
Farms, excluding real estate	25,440	na	17	11	16	na	9.5	-4.6	---	---
Other	64,581	na	320	339	336	na	7.9	4.9	---	---
Total deposits	911,772	na.	8,987	8,426	9,613	na.	9.3	7.0	---	---
Demand	344,245	na	4,193	3,528	4,287	na.	5.6	2.3	---	---
Time and savings	567,527	na	4,795	4,898	5,326	na.	11.9	11.1	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans from 1977:IV to 1978:IV increased 19.0 percent in Connecticut versus 15.6 percent in the Nation (table 5). In 1978:IV, loans totaled \$6.7 billion, for an increase of \$1.1 billion since 1977:IV. Among all State increases, Connecticut's ranked ninth. Strength in Connecticut was concentrated in commercial and industrial loans, which increased 20.5 percent versus 13.3 percent in the Nation. Among all States, only four had larger increases. The increase in real estate loans was somewhat larger in the State than nationally. In contrast,

loans to individuals increased 16.1 percent in Connecticut versus 18.7 percent in the Nation.

Total deposits increased 7.0 percent in Connecticut from 1977:IV to 1978:IV, 2.3 percentage points less than in the Nation. Among all States, only ten had smaller increases. In 1978:IV, deposits totaled \$9.6 billion in the State, for an increase of \$0.6 billion since 1977:IV. Weakness centered in demand deposits, which increased 2.3 percent in Connecticut versus 5.6 percent in the Nation. Among all States, only seven had smaller increases. Time and savings deposits increased 11.1 percent in Connecticut, 0.8 percentage point less than nationally.

From 1978:I to 1979:I, the total valuation of construction contracts increased 55.9 percent in Connecticut versus 19.8 percent in the Nation (table 6). Connecticut's increase ranked 10th among all States and second (to Rhode Island) in New England. In 1979:I, contracts in the State totaled \$416 million, for a gain over the year of \$149 million. About three-tenths of Connecticut's increase in the total valuation of contracts was traceable to two 1979:I contracts totaling nearly \$45 million for a parking garage in Fairfield County and a penal and correctional institution in New Haven County. If these are excluded, the total valuation in the State would have increased 42 percent.

Nationally, construction costs increased about 14 percent; if this national increase is representative of cost changes in Connecticut, the real valuation of construction contracts (including the two large contracts) would have increased about 42 percent versus about 6 percent nationally.

The new residential housekeeping market was strong in Connecticut, as it was in most Northeast States. Both the valuation of residential housekeeping contracts and the number of dwelling units started recovered sharply from unusually low levels in 1978:I, when the weather in the Northeast was even more severe than in 1979:I. The valuation of

residential housekeeping contracts increased 56.0 percent in Connecticut versus 11.8 percent in the Nation. Only three States—West Virginia, Florida, and New Jersey—had larger gains. The number of dwelling units started increased 51.1 percent (888 units), to 2,625 units, versus an increase of only 2.6 percent in the Nation. In contrast, the valuation of contracts for additions and alterations to residential housekeeping units increased only 3.4 percent in Connecticut versus 17.9 percent in the Nation. Only five States—including two with declines—had smaller changes.

The valuation of nonresidential contracts increased 161.5 percent (\$103 million) in Connecticut versus an increase of 28.0 percent in the Nation. Among all States, Connecticut's increase was exceeded only in Rhode Island and Delaware. Some of Connecticut's unusual strength was traceable to the above-mentioned contracts in 1979:I for the parking garage and the penal and correctional institution.

The valuation of nonbuilding contracts increased 6.2 percent in Connecticut versus 23.7 percent in the Nation. Part of the weakness was traceable to street and highway contracts, which declined 29.7 percent in valuation versus an increase of 61.2 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

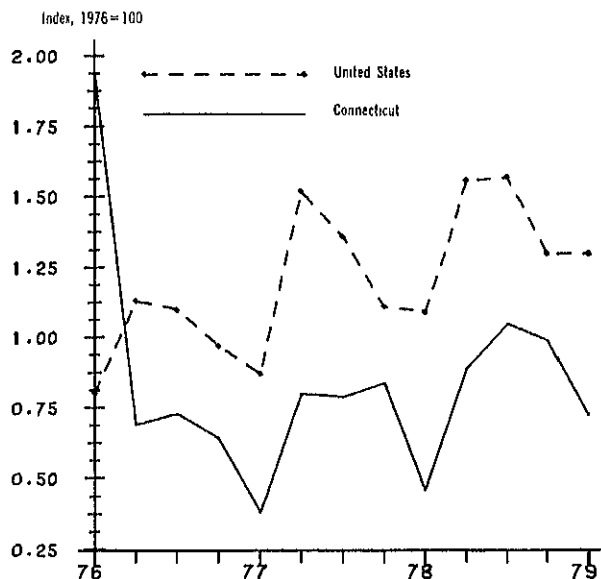


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Connecticut

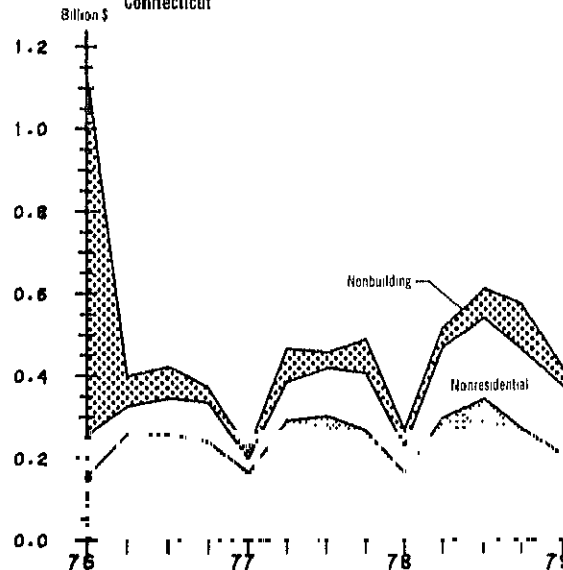


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

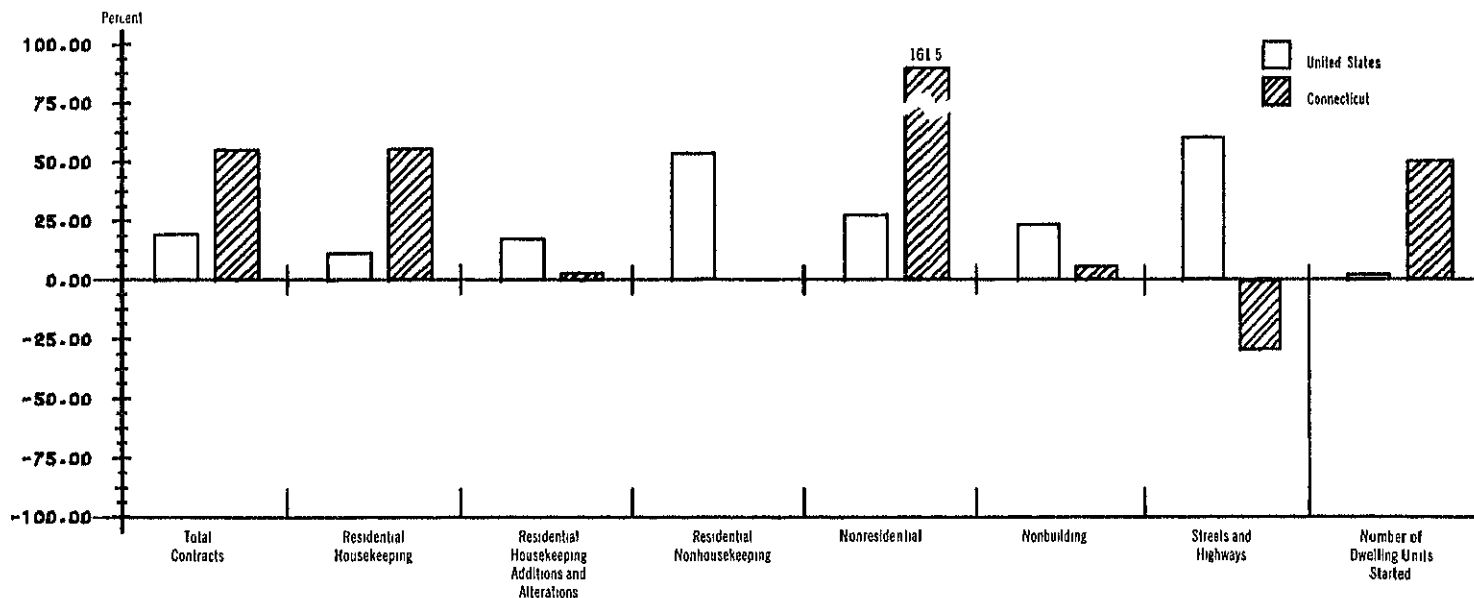


TABLE 6.—Construction Contracts, United States and Connecticut¹

	United States		Connecticut				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	489,583	266,933	574,309	416,137	16.8	17.3	19.8	55.9
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	119,115	94,812	117,689	98,053	14.6	-1.2	17.9	3.4
All other contracts										
Number of contracts	53,028	53,454	594	293	435	422	-9.3	-26.8	8	44.0
Valuation (thousands of dollars)	32,202,931	38,675,376	370,468	172,121	456,620	318,084	17.3	23.3	20.1	84.8
Floor area (thousands of square feet)	807,538	904,811	8,293	3,949	10,146	8,726	10.3	22.3	12.0	120.9
Residential housekeeping										
Number of contracts	13,592	14,399	72	51	61	58	-4.3	-15.3	5.9	13.7
Number of dwelling units	404,171	414,826	3,751	1,737	3,427	2,625	-2	-8.6	2.6	51.1
Valuation (thousands of dollars)	13,806,696	15,431,523	143,269	68,048	150,297	106,124	15.6	4.9	11.8	56.0
Floor area (thousands of square feet)	546,445	571,860	4,835	2,337	4,830	3,284	10.7	-1	4.7	40.5
Residential nonhousekeeping										
Number of contracts	441	464	4	0	3	3	-4	-25.0	5.2	---
Valuation (thousands of dollars)	327,201	504,158	2,195	0	2,250	2,156	54.9	2.5	54.1	---
Floor area (thousands of square feet)	8,179	11,483	47	0	39	21	34.7	-16.7	40.4	---
Nonresidential										
Number of contracts	25,282	23,514	310	146	215	232	-12.0	-30.6	-7.0	58.9
Valuation (thousands of dollars)	9,056,146	11,595,243	141,397	63,938	194,848	167,192	16.3	37.8	28.0	161.5
Floor area (thousands of square feet)	252,915	321,468	3,412	1,613	5,277	5,421	8.7	54.7	27.1	236.2
Nonbuilding										
Number of contracts	13,713	15,077	208	96	156	129	-9.1	-25.0	9.9	34.4
Valuation (thousands of dollars)	9,012,888	11,144,452	83,607	40,135	109,225	42,612	20.6	30.6	23.7	6.2
Streets and Highways										
Number of contracts	3,989	4,750	52	11	27	17	-17.8	-48.1	19.1	54.5
Valuation (thousands of dollars)	1,399,453	2,255,221	8,575	4,080	19,049	2,869	-18.1	122.1	61.2	-29.7

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Connecticut are not available.

TABLE 7.—Retail Sales, United States and Connecticut

	United States		Connecticut				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

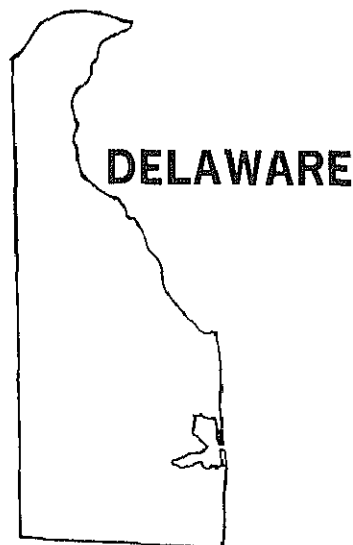
TABLE 8.—Business Incorporations and Failures, United States and Connecticut

	United States		Connecticut				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,223	1,342	1,401	n.a.	13.2	14.6	---	---
Total number of business failures	1,729	n.a.	11	21	21	n.a.	-4.9	90.9	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	1,596	2,063	2,239	n.a.	13.7	40.3	---	---
Average liability per failure (thousands of dollars)	404	n.a.	145	98	107	n.a.	19.4	-26.2	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	4	0	3	n.a.	6.0	-25.0	---	---
Construction	279	n.a.	0	1	0	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	2	4	1	n.a.	-6.3	-50.0	---	---
Retail trade	769	n.a.	5	14	15	n.a.	-4	200.0	---	---
Commercial services	205	n.a.	0	2	4	n.a.	-23.5	---	---	---

n.a. Data not available.

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 11.8% vs. 12.6% in U.S., to \$5.3 billion
- Manufacturing payrolls up 14.4% vs. 14.0% in U.S.

Consumer prices

- Up 6.1% in Baltimore and 9.0% in Philadelphia vs. 9.9% in U.S.

Employment

- Up 1.9% vs. 3.8% in U.S., to 247,000

Unemployment

- Down 2,000, to 21,000
- Rate down to 7.8% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up 60.3% vs. 19.8% in U.S.
- Valuation of nonresidential contracts up 285.5% vs. 28.0% in U.S.
- Number of dwelling-unit starts down 15.6% vs. 2.6% increase in U.S.

TABLE 1.—Summary of Economic Indicators, United States and Delaware

	United States		Delaware				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I	1978:I— 1979:I	1978:I— 1979:I
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	4,662	4,762	5,203	5,325	12.6	11.6	12.6	11.8
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	3,128	3,155	3,483	3,552	12.6	11.4	12.8	12.6
Civilian employment (thousands)	91,401	94,901	253	243	257	247	3.9	1.6	3.8	1.9
Unemployment (thousands)	6,705	6,360	20	23	19	21	-8.8	-4.4	-5.1	-10.5
Percent unemployed (unemployment/labor force)	6.8	6.3	7.3	8.8	6.9	7.8	---	---	---	---
Total loans (millions of dollars)	619,218	n a	1,302	1,341	1,493	n a	15.6	14.7	---	---
Total deposits (millions of dollars)	911,772	n a	2,428	2,417	2,611	n a	9.3	7.6	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	100,342	43,791	111,123	70,201	16.8	10.7	19.8	60.3
Dwelling units started (number)	404,171	414,826	945	630	1,001	532	-2	5.9	2.6	-15.6
Total retail sales (millions of dollars)	167,940	194,529	n a	n a	n a	n a	11.2	---	15.8	---
New business incorporations (number)	115,247	n a	3,584	4,055	4,371	n a	13.2	22.0	---	---
Business failures (number)	1,729	n a	3	0	0	n a	-4.9	---	---	---
Consumer Price Index (1967=100)										
U S city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Baltimore	---	---	190.7	195.7	203.0	207.7	---	6.4	---	6.1
Philadelphia	---	---	187.1	188.6	200.6	205.5	---	7.2	---	9.0

n a Data not available

Source See tables 2 through 8

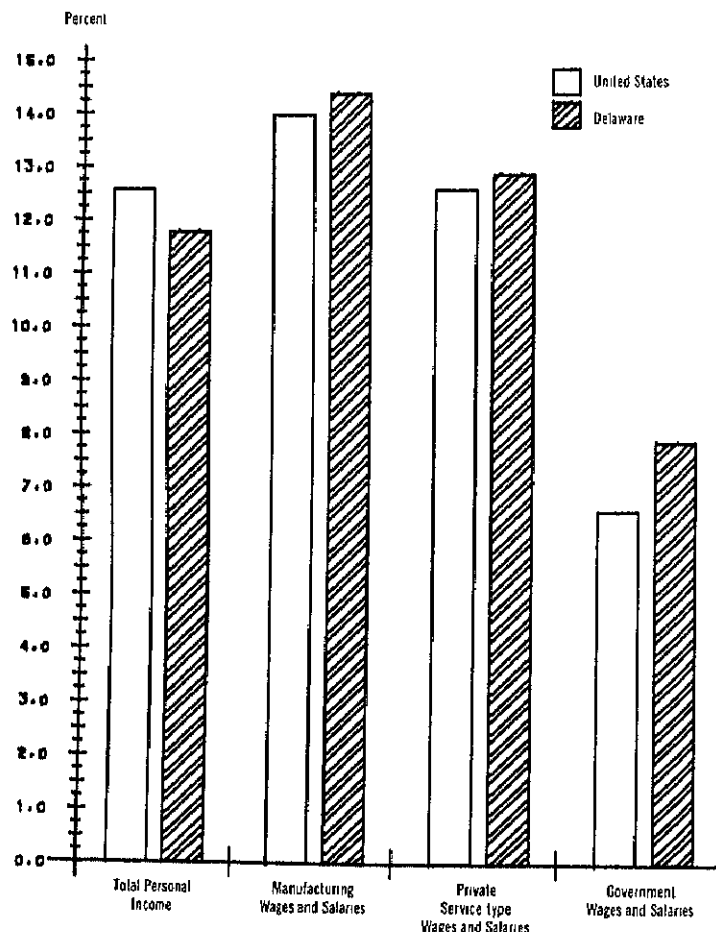
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.8 percent in Delaware from 1978:I to 1979:I, compared with 12.6 percent nationally (table 2). In 1979:I, the State's personal income totaled \$5.3 billion, up \$563 million since 1978:I. During this timespan, consumer prices increased 6.1 percent in the Baltimore metropolitan area and 9.0 percent in the Philadelphia area versus 9.9 percent in the Nation (table 3). If an average of the two area increases is used as an indicator for price increases throughout the State, real total personal income in Delaware increased 4.2 percent versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) in the State increased 12.6 percent from year to year, slightly less than nationally. In 1979:I, they totaled \$3.6 billion, up \$397 million since 1978:I.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Manufacturing payrolls increased 14.4 percent in the State from year to year, more than in any other State in the Mideast region, versus 14.0 percent nationally. Manufacturing payrolls accounted for 44 percent of the State's year-to-year increase in total payrolls. The increase in nondurable goods manufacturing payrolls in Delaware was considerably more than the Nation's, and the increase in durables manufacturing payrolls was considerably less than the Nation's.

Total payrolls in Delaware's private service-type industries increased somewhat more than nationally. Payrolls in trade and services increased at above-national-average rates, and payrolls in transportation-communication-public utilities and finance-insurance-real estate increased at below-national-average rates. Delaware's increase in the transportation group, 7.6 percent, was one of the smallest among all States.

Construction payrolls increased 13.4 percent in the State from year to year, compared with a 21.3-percent national increase.

Federal Government payrolls in Delaware increased 4.8 percent, less than in 44 States and the District of Columbia, versus 7.6 percent nationally. State and local government payrolls increased 9.2 percent in Delaware and 6.1 percent nationally.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

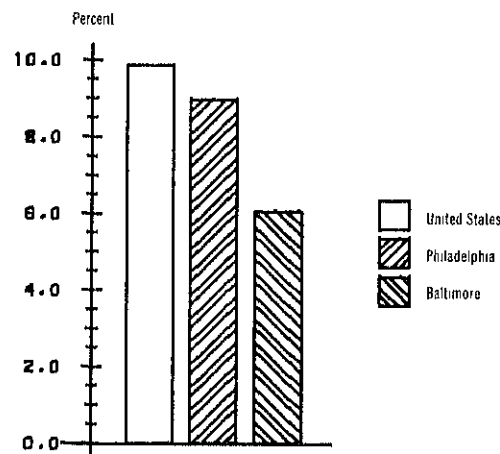


Chart 3.—Total Personal Income
[Seasonally adjusted]

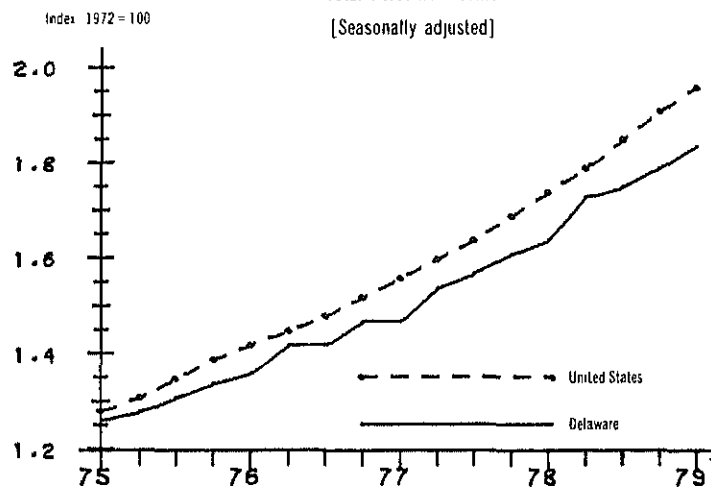


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

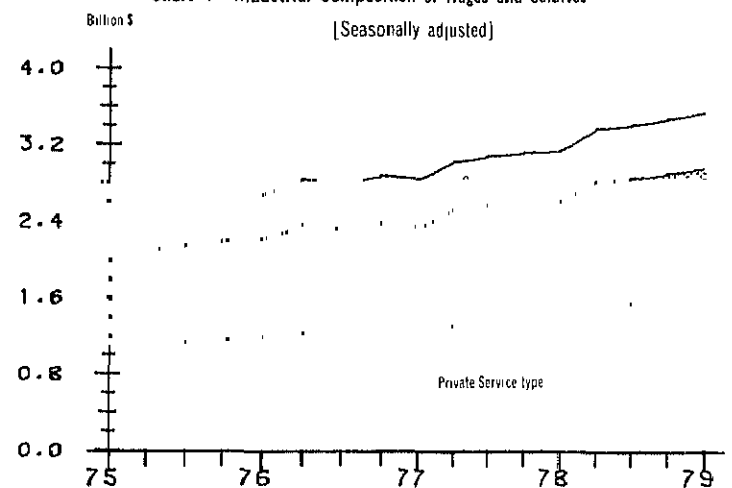


TABLE 2.—Personal Income, United States and Delaware

	United States		Delaware				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	4,662	4,762	5,203	5,325	12.6	11.6	12.6	11.8
Farm personal income	32,083	40,141	70	129	124	151	26.3	77.5	25.1	16.9
Nonfarm personal income	1,592,582	1,789,374	4,592	4,633	5,078	5,174	12.3	10.6	12.4	11.7
Total personal income	1,624,665	1,829,515	4,662	4,762	5,203	5,325	12.6	11.6	12.6	11.8
Wage and salary disbursements	1,042,716	1,176,598	3,128	3,155	3,483	3,552	12.6	11.4	12.8	12.6
Other labor income	99,957	115,833	322	331	362	377	16.4	12.3	15.9	13.9
Proprietors' income	108,808	126,535	224	284	298	319	18.9	33.0	16.3	12.4
Farm	24,448	31,221	57	116	111	136	31.3	93.6	27.7	17.4
Nonfarm	84,360	95,314	167	168	188	183	15.3	12.3	13.0	9.0
Dividends, interest, and rent	221,191	250,595	770	788	852	880	12.8	10.6	13.3	11.7
Transfer payments	219,202	238,794	545	540	576	587	8.2	5.7	8.9	8.7
State unemployment insurance benefits	9,997	8,023	49	33	27	25	-30.3	-45.9	-19.7	-23.7
Less personal contributions	66,792	78,351	186	195	210	227	15.1	13.3	17.3	16.4
Plus residence adjustment	-417	-489	-142	-140	-158	-162	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	3,128	3,155	3,483	3,552	12.6	11.4	12.8	12.6
Farm	7,215	8,422	13	13	13	14	10.6	6.7	16.7	12.6
Nonfarm	1,035,501	1,168,176	3,115	3,142	3,469	3,538	12.6	11.4	12.8	12.6
Mining	12,013	19,166	9	5	4	4	33.9	-54.1	59.5	-13.3
Construction	56,564	68,593	193	179	230	203	20.1	19.5	21.3	13.4
Manufacturing	285,735	325,636	1,237	1,229	1,321	1,405	13.3	6.8	14.0	14.4
Durable goods	182,321	211,944	0	0	0	0	15.2	—	16.2	—
Nondurable goods	103,414	113,692	0	0	0	0	10.0	—	9.9	—
Private service-type	473,132	532,823	0	0	0	0	13.1	—	12.6	—
Transportation, communication, and public utilities	79,598	88,755	173	186	192	200	11.3	11.3	11.5	7.6
Wholesale and retail trade	177,331	201,608	0	0	0	0	14.1	—	13.7	—
Finance, insurance, and real estate	55,930	63,373	131	130	139	143	13.2	5.7	13.3	9.8
Services	160,273	179,087	401	429	486	485	12.7	21.3	11.7	13.0
Government	204,558	218,008	537	540	575	583	6.9	7.0	6.6	7.9
Federal	68,698	73,916	155	159	165	167	7.1	6.5	7.6	4.8
State and local	135,860	144,092	382	381	409	416	6.8	7.2	6.1	9.2
Other	3,499	3,950	0	0	0	0	14.6	—	12.9	—

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Delaware¹

	United States		Delaware				U S	State	U.S	State
	1978:I	1979:I	1977:IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Index, 1967 = 100, not seasonally adjusted							Percent change		
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Baltimore	---	---	190.7	195.7	203.0	207.7	---	6.4	---	6.1
Philadelphia	---	---	187.1	188.6	200.6	205.5	---	7.2	---	9.0

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Delaware's civilian labor force increased 0.8 percent versus a 3.2-percent national increase (table 4). Increases were smaller in only Nebraska, Hawaii, Illinois, and the District of Columbia. Total employment increased 1.9 percent (to 247,000), compared with a 3.8-percent national increase. The increase in Delaware and the 1.8-percent increase in the District of Columbia were the smallest increases in the Mideast region.

With employment increasing by 4,000 and the labor force increasing by 2,000, the number of unemployed declined by 2,000, to 21,000.

Delaware's unemployment rate declined 1 percentage point, to 7.8 percent of the labor force. The State's unemployment rate was the seventh highest in the Nation and the highest in the Mideast region, where all five States and the District of Columbia registered rates that exceeded the national average rate of 6.3 percent.

According to preliminary data for March 1979, the unemployment rate in the Wilmington metropolitan area was 7.4 percent, compared with an 8.1-percent rate statewide.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Delaware

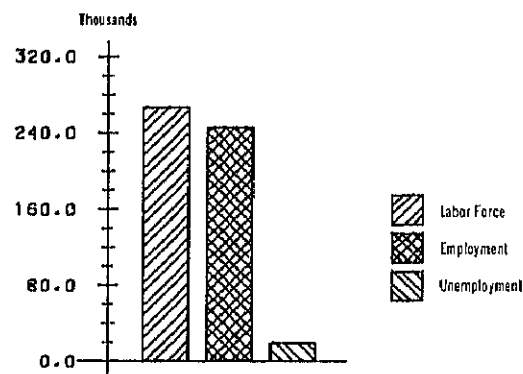


Chart 6.—Unemployment Rates, 1978:I—1979:I

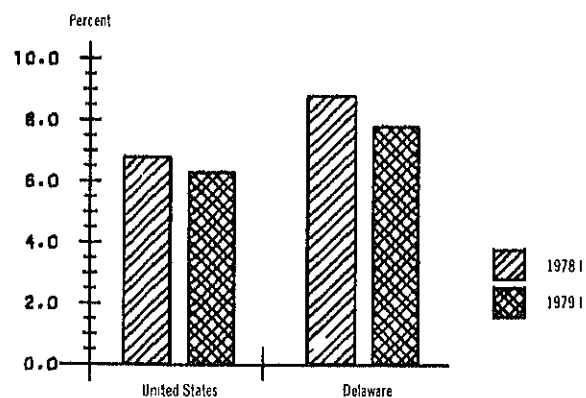


TABLE 4.—Labor Force, United States and Delaware

	United States		Delaware				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	244	239	251	248	4.2	2.9	2.9	3.8
Mining and services	16,488	17,045	40	40	43	42	4.9	7.0	3.4	6.3
Construction	3,784	3,973	15	13	16	13	11.2	3.3	5.0	3.2
Manufacturing	20,064	20,652	69	67	70	68	3.6	.9	2.9	2.5
Transportation, communication, and public utilities	4,779	4,943	12	13	13	13	4.4	8.3	3.4	-3.0
Wholesale and retail trade	18,937	19,549	54	52	55	55	4.5	2.4	3.2	5.0
Finance, insurance, and real estate	4,601	4,790	11	11	11	11	5.2	5.6	4.1	6.5
Government	15,435	15,648	42	43	43	45	1.4	5	1.4	3.5
Civilian labor force ³	98,106	101,260	273	266	276	268	3.1	1.1	3.2	.8
Total employed	91,401	94,901	253	243	257	247	3.9	1.6	3.8	1.9
Total unemployed	6,705	6,360	20	23	19	21	-8.8	-4.4	-5.1	-10.5
Percent unemployed	6.8	6.3	7.3	8.8	6.9	7.8	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

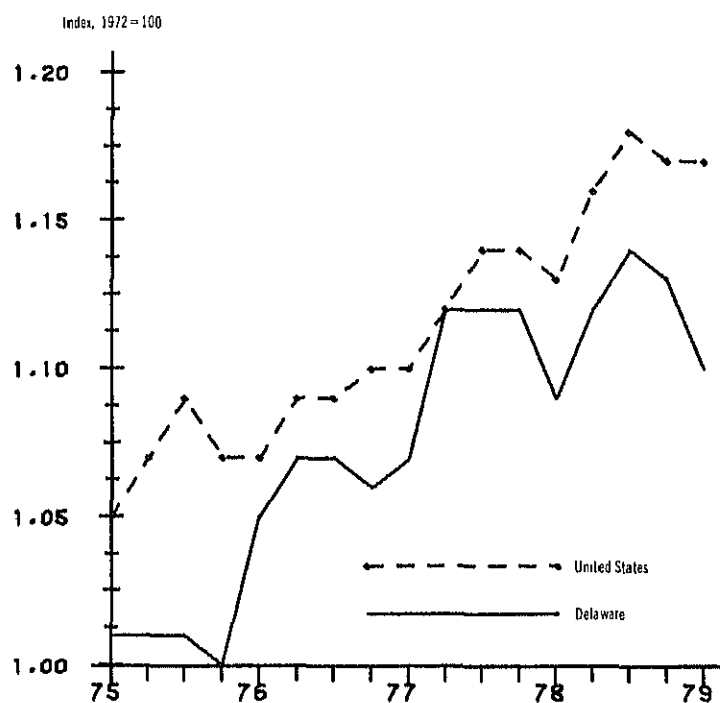


Chart 8.—Civilian Employment

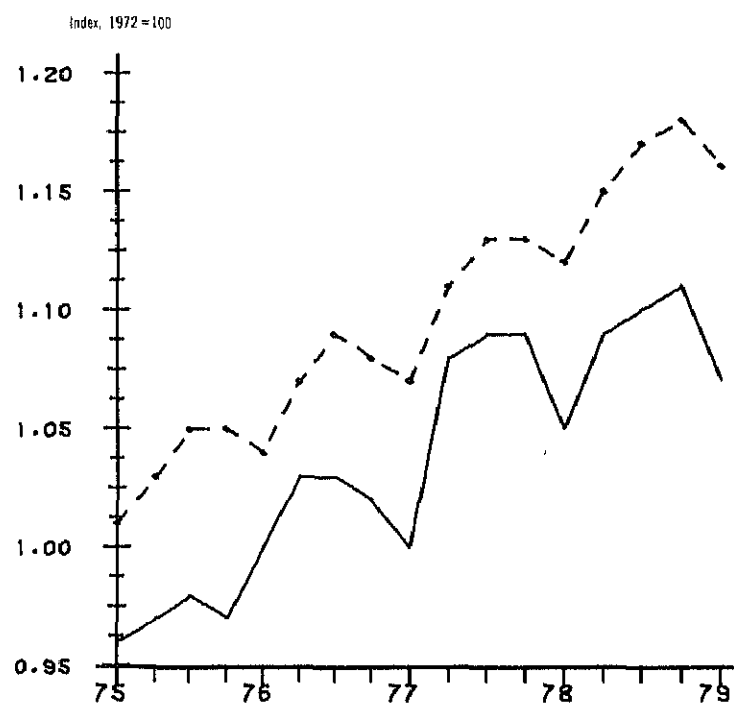


Chart 9.—Unemployment Rate

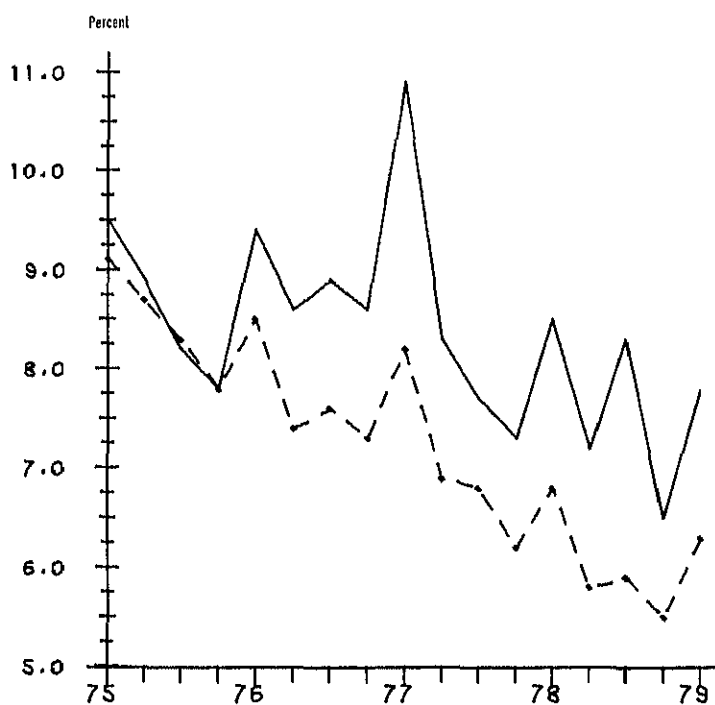
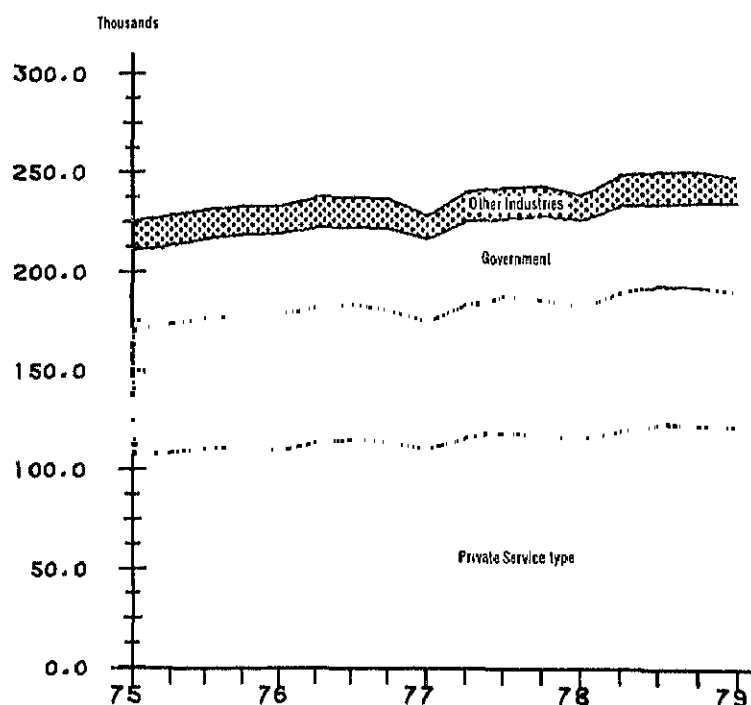


Chart 10.—Industrial Composition of Nonagricultural Employment: Delaware



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Delaware

	United States		Delaware				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV-- 1978 IV	1978 I-- 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a	1,302	1,341	1,493	n.a.	15.6	14.7	---	---
Commercial and industrial	202,241	n.a	207	220	245	n.a	13.3	18.2	---	---
Loans to individuals	143,356	n.a	422	426	493	n.a.	18.7	17.0	---	---
Real estate	183,599	n.a	586	600	678	n.a	19.6	15.8	---	---
Residential	104,830	n.a	396	407	479	n.a	22.1	20.9	---	---
Farms	7,919	n.a	16	17	16	n.a	9.6	6	---	---
Other	70,851	n.a	174	176	183	n.a	17.0	5.5	---	---
Farms, excluding real estate	25,440	n.a	13	12	12	n.a	9.5	-8.6	---	---
Other	64,581	n.a	75	83	65	n.a	7.9	-12.7	---	---
Total deposits	911,772	n.a	2,428	2,417	2,611	n.a.	9.3	7.6	---	---
Demand	344,245	n.a	985	880	1,004	n.a	5.6	2.0	---	---
Time and savings	567,527	n.a	1,443	1,537	1,607	n.a	11.9	11.4	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 14.7 percent (\$191 million) in Delaware from 1977:IV to 1978:IV versus 15.6 percent nationally (table 5). In 1978:IV, bank loans totaled \$1.5 billion in the State. Real estate loans increased 15.8 percent in the State, 3.8 percentage points less than nationally. Similarly, loans to individuals increased 17.0 percent versus 18.7 percent nationally. In contrast, commercial and industrial loans increased 18.2 percent in Delaware, 4.9 percentage points more than nationally.

Total deposits increased 7.6 percent (\$183 million) in Delaware from 1977:IV to 1978:IV versus 9.3 percent nationally. In 1978:IV, bank deposits totaled \$2.6 billion in the State. Time and savings deposits increased 11.4 percent versus 11.9 percent nationally, while demand deposits increased 2.0 percent from year to year versus 5.6 percent nationally. Delaware's increase in demand deposits was one of the smallest in the Nation.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 60.3 percent (\$26.4 million), to \$70.2 million (table 6). Delaware's percentage increase was the largest in the Mideast region and was three times larger than the national average increase. During the same timespan, national construction costs increased about 14 percent

Nonresidential contracts increased 285.5 percent (\$17.1 million) in valuation, compared with a national increase of 28.0 percent. Delaware's percentage increase was the second largest in the Nation after Rhode Island's. In 1979:I, a \$10 million contract for the construction of an office building in New Castle County raised the valuation of the State's nonresidential contracts to an unusually high level, thereby distorting the year-to-year change. If the office building contract is excluded, the valuation of nonresidential contracts in Delaware would have increased 118.3 percent from year to year.

The valuation of nonbuilding contracts increased 133.5 percent (\$5.9 million) in the State versus 23.7 percent nationally. In sharp contrast, street and highway contracts, a major component of nonbuilding contracts, declined 76.9 percent (\$442,000) in valuation, compared with a national increase of 61.2 percent. Delaware's percentage decline was exceeded only by the 85.2-percent decline in Alaska

The valuation of contracts for additions and alterations to Delaware's residential housekeeping units increased 24.6 percent (\$3.6 million), 6.7 percentage points more than nationally. The valuation of contracts for new residential housekeeping units, in contrast, declined 1.0 percent (\$180,000), compared with an 11.8-percent national increase. The number of dwelling units started in the State declined 15.6 percent (98 units), to 532, compared with a national increase of 2.6 percent.

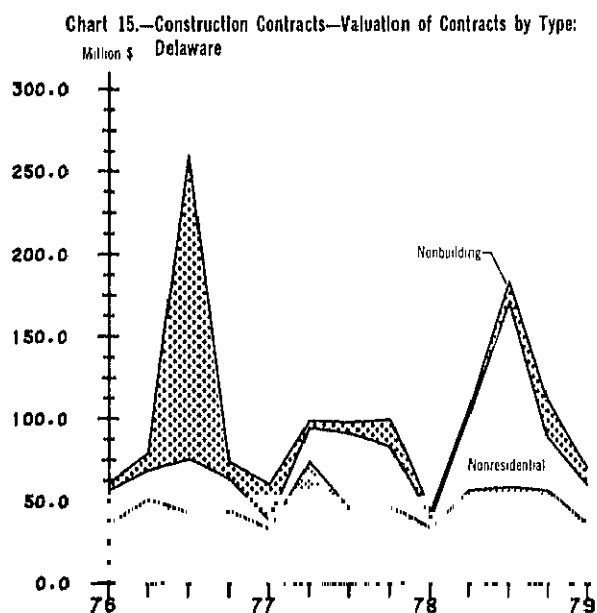
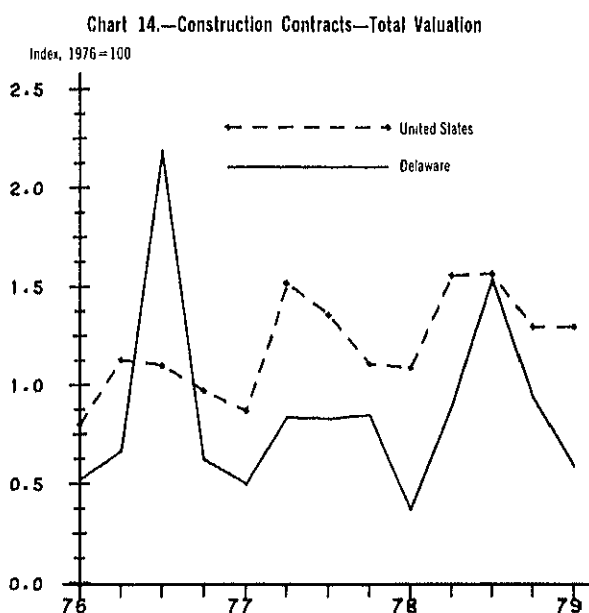


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

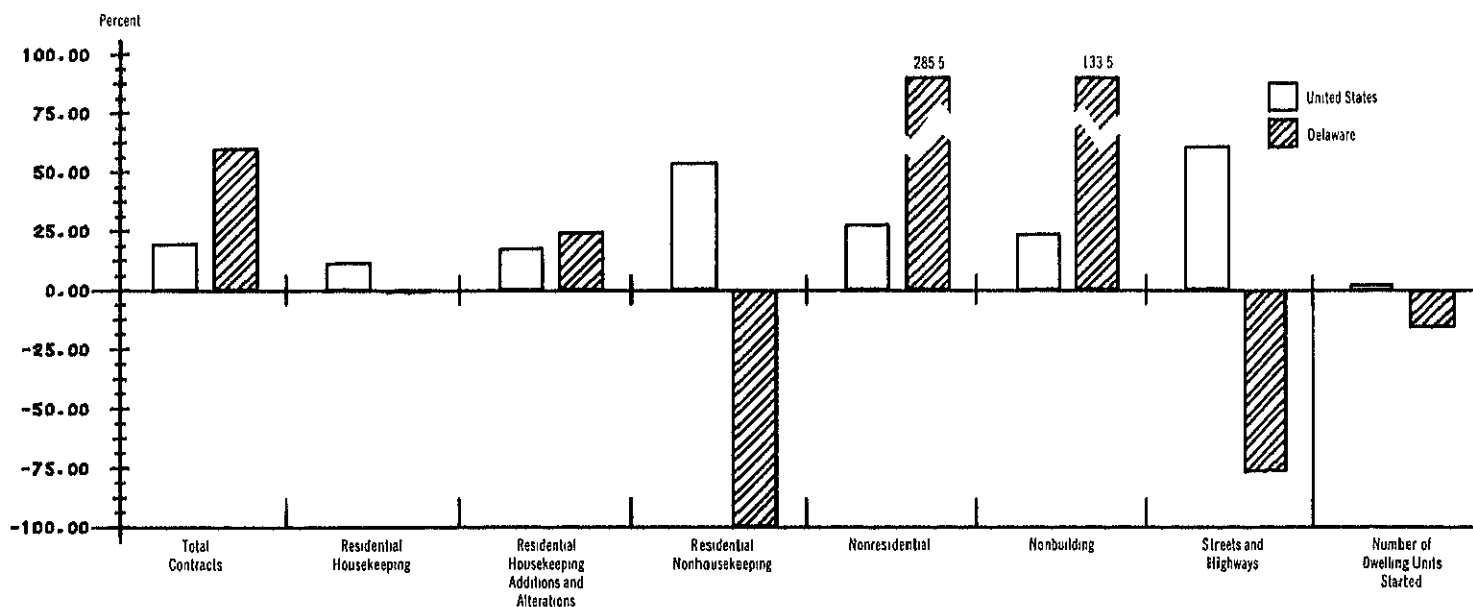


TABLE 6.—Construction Contracts, United States and Delaware¹

	United States		Delaware				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV- 1978 IV	1978 I- 1979 I	U S	State
Not seasonally adjusted							Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	100,342	43,791	111,123	70,201	16.8	10.7	19.8	60.3
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	17,824	14,746	22,187	18,380	14.6	24.5	17.9	24.6
All other contracts										
Number of contracts	53,028	53,454	170	111	156	97	-9.3	-8.2	8	-12.6
Valuation (thousands of dollars)	32,202,931	38,675,376	82,518	29,045	88,936	51,821	17.3	7.8	20.1	78.4
Floor area (thousands of square feet)	807,538	904,811	2,394	900	1,911	1,259	10.3	-20.2	12.0	40.0
Residential housekeeping										
Number of contracts	13,592	14,399	18	13	14	15	-4.3	-22.2	5.9	15.4
Number of dwelling units	404,171	414,826	945	630	1,001	532	-2	5.9	2.6	-15.6
Valuation (thousands of dollars)	13,806,696	15,431,523	28,627	18,634	32,988	18,454	15.6	15.2	11.8	-1.0
Floor area (thousands of square feet)	546,445	571,860	1,047	680	1,100	629	10.7	5.1	4.7	-7.5
Residential nonhousekeeping										
Number of contracts	441	464	0	1	6	0	-4	---	5.2	---
Valuation (thousands of dollars)	327,201	504,158	0	15	1,640	0	54.9	---	54.1	---
Floor area (thousands of square feet)	8,179	11,483	0	1	58	0	34.7	---	40.4	---
Nonresidential										
Number of contracts	25,282	23,514	98	67	88	48	-12.0	-10.2	-7.0	-28.4
Valuation (thousands of dollars)	9,056,146	11,595,243	36,862	5,980	32,029	23,054	16.3	-13.1	28.0	285.5
Floor area (thousands of square feet)	252,915	321,468	1,347	219	753	631	8.7	-44.1	27.1	187.9
Nonbuilding										
Number of contracts	13,713	15,077	54	30	48	34	-9.1	-11.1	9.9	13.3
Valuation (thousands of dollars)	9,012,888	11,144,452	17,029	4,416	22,279	10,313	20.6	30.8	23.7	133.5
Streets and Highways										
Number of contracts	3,989	4,750	15	4	20	2	-17.8	33.3	19.1	-50.0
Valuation (thousands of dollars)	1,399,453	2,255,221	2,823	575	18,961	133	-18.1	571.7	61.2	-76.9

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE: Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Delaware are not available

TABLE 7.—Retail Sales, United States and Delaware

	United States		Delaware				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Delaware

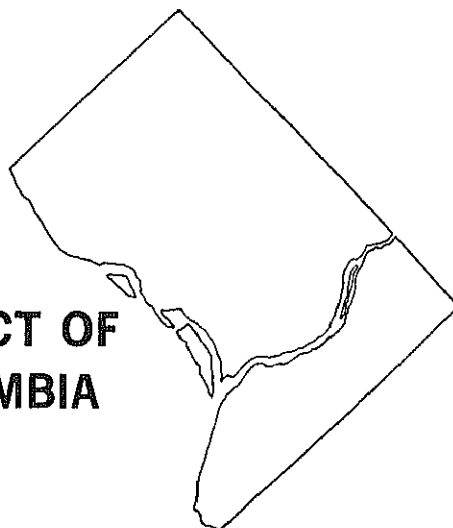
	United States		Delaware				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV - 1978 IV		1978 I - 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	3,584	4,055	4,371	n.a.	13.2	22.0	---	---
Total number of business failures	1,729	n.a.	3	0	0	n.a.	-4.9	---	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	853	0	0	n.a.	13.7	---	---	---
Average liability per failure (thousands of dollars)	404	n.a.	284	0	0	n.a.	19.4	---	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	0	0	n.a.	6.0	---	---	---
Construction	279	n.a.	2	0	0	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	0	0	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	1	0	0	n.a.	-4	---	---	---
Commercial services	205	n.a.	0	0	0	n.a.	-23.5	---	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE: This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

DISTRICT OF COLUMBIA



Highlights

1978:I to 1979:I

Personal income

- Up 8.8% vs. 12.6% in U.S., to \$7.1 billion
- Services payrolls up 8.8% vs. 11.7% in U.S.

Consumer prices

- Up 10.9% in Washington, D.C. vs. 9.9% in U.S.

Employment

- Up 1.8% vs. 3.8% in U.S., to 304,000

Unemployment

- Down between 5,000 and 6,000, to 25,000
- Rate down to 7.7% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up only 2.8% vs. 19.8% in U.S.
- Valuation of nonbuilding contracts down 40.3% vs. 23.7% increase in U.S.
- Number of dwelling-unit starts up 9.4% vs. 2.6% in U.S.

TABLE 1.—Summary of Economic Indicators, United States and District of Columbia

	United States		District of Columbia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978:I	1978:IV	1979 I	1977:IV— 1978 IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	6,475	6,567	7,018	7,142	12.6	8.4	12.6	8.8
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	10,165	10,317	10,926	11,167	12.6	7.5	12.8	8.2
Civilian employment (thousands)	91,401	94,901	298	299	303	304	3.9	1.7	3.8	1.8
Unemployment (thousands)	6,705	6,360	29	31	25	25	-8.8	-14.6	-5.1	-17.1
Percent unemployed (unemployment/labor force)	6.8	6.3	8.9	9.3	7.6	7.7	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	2,828	2,808	3,482	n.a.	15.6	23.1	---	---
Total deposits (millions of dollars)	911,772	n.a.	4,392	4,384	4,990	n.a.	9.3	13.6	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	228,096	157,206	107,086	161,587	16.8	-53.1	19.8	2.8
Dwelling units started (number)	404,171	414,826	177	490	485	536	-2	174.0	2.6	9.4
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	680	159	235	n.a.	13.2	-65.4	---	---
Business failures (number)	1,729	n.a.	0	0	4	n.a.	-4.9	---	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Washington, D.C.	---	---	188.1	190.6	205.3	211.4	---	9.1	---	10.9

n.a. Data not available

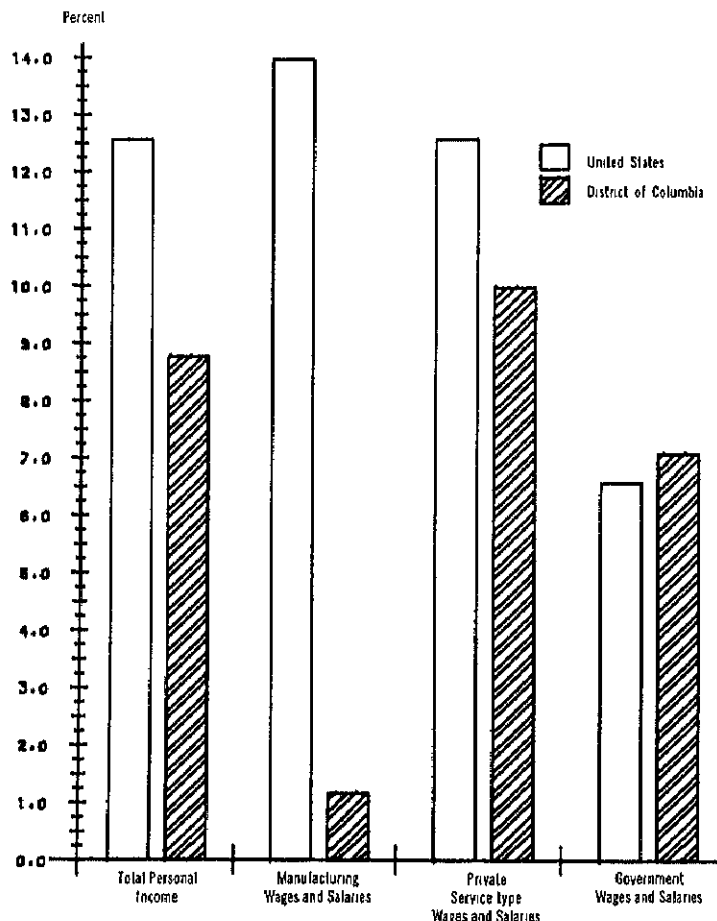
Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased only 8.8 percent in the District of Columbia from 1978:I to 1979:I, compared with 12.6 percent nationally (table 2). The District's increase was one of the smallest in the Nation; it exceeded increases in only North Dakota and Alaska. In 1979:I, the District's personal income totaled \$7.1 billion, up \$575 million since 1978:I. During this timespan, the Consumer Price Index for the Washington, D.C. metropolitan area increased 10.9 percent versus 9.9 percent nationally (table 3). If the metropolitan area increase is used as an indicator for price increases in the District, real total personal income in the District declined 2.1 percent from year to year, compared with a 2.7-percent national increase.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) in the District increased only 8.2 percent from year to year, compared with a national increase of 12.8 percent. The District's increase exceeded the increase in only one State (Alaska). In 1979:I, payrolls totaled \$11.2 billion, up \$850 million since 1978:I.

State and local government payrolls declined 3.3 percent from year to year in the District, compared with a 6.1-percent national increase; only California also registered a decline. In contrast, Federal Government payrolls increased 9.1 percent in the District versus 7.6 percent nationally; they accounted for 47 percent of all District payrolls in 1979:I.

Services payrolls, which accounted for 23 percent of all District payrolls in 1979:I, increased only 8.8 percent from 1978:I to 1979:I versus 11.7 percent nationally; the District's increase was one of the smallest in the Nation. Increases in the District's trade and transportation-communication-public utilities payrolls lagged corresponding national increases by over 2 percentage points. In contrast, payrolls in finance-insurance-real estate increased 19.5 percent from year to year, one of the largest increases in the Nation and 6.2 percentage points more than nationally.

Manufacturing payrolls increased only 1.2 percent in the District versus 14.0 percent nationally, and construction payrolls increased 13.8 percent from year to year versus 21.3 percent nationally.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

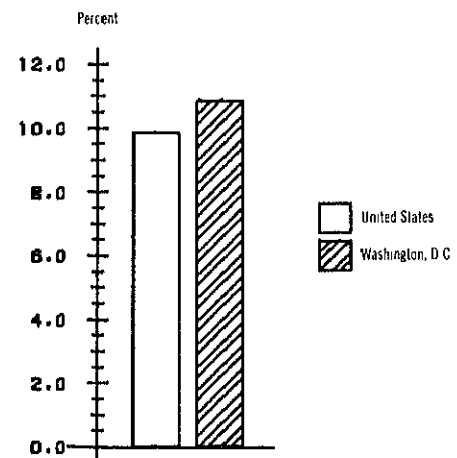


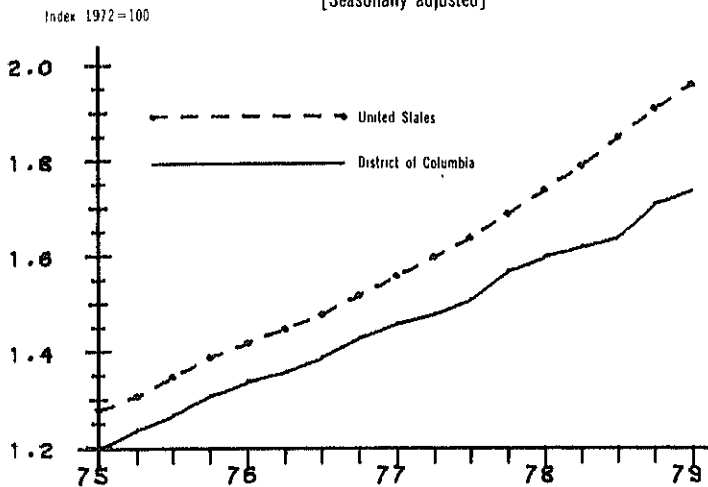
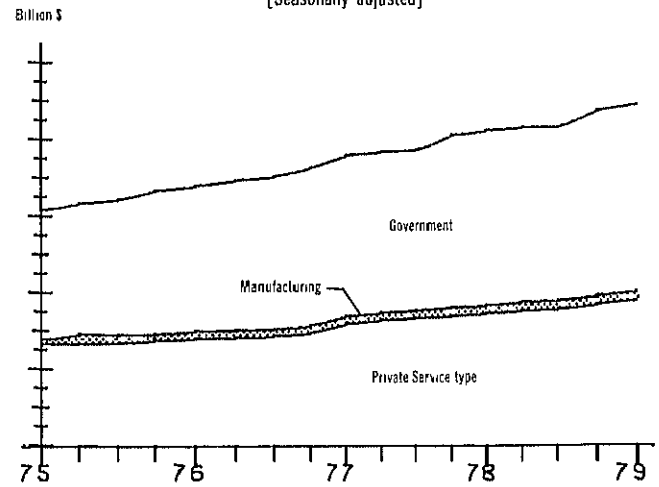
Chart 3.—Total Personal Income
[Seasonally adjusted]Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

TABLE 2.—Personal Income, United States and District of Columbia

	United States		District of Columbia				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	6,475	6,567	7,018	7,142	12.6	8.4	12.6	8.8
Farm personal income	32,083	40,141	0	0	0	0	26.3	---	25.1	---
Nonfarm personal income	1,592,582	1,789,374	6,475	6,567	7,018	7,142	12.3	8.4	12.4	8.8
Total personal income	1,624,665	1,829,515	6,475	6,567	7,018	7,142	12.6	8.4	12.6	8.8
Wage and salary disbursements	1,042,716	1,176,598	10,165	10,317	10,926	11,167	12.6	7.5	12.8	8.2
Other labor income	99,957	115,833	562	576	620	638	16.4	10.3	15.9	10.8
Proprietors' income	108,808	126,535	202	205	218	220	18.9	8.3	16.3	7.5
Farm	24,448	31,221	0	0	0	0	31.3	---	27.7	---
Nonfarm	84,360	95,314	202	205	218	220	15.3	8.3	13.0	7.5
Dividends, interest, and rent	221,191	250,595	1,158	1,191	1,301	1,346	12.8	12.3	13.3	13.0
Transfer payments	219,202	238,794	1,352	1,363	1,449	1,475	8.2	7.2	8.9	8.2
State unemployment insurance benefits	9,997	8,023	73	58	43	39	-30.3	-41.8	-19.7	-32.6
Less personal contributions	66,792	78,351	578	612	633	688	15.1	9.5	17.3	12.5
Plus residence adjustment	-417	-489	-6,387	-6,473	-6,864	-7,016	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	10,165	10,317	10,926	11,167	12.6	7.5	12.8	8.2
Farm	7,215	8,422	0	0	0	0	10.6	---	16.7	---
Nonfarm	1,035,501	1,168,176	10,165	10,317	10,926	11,167	12.6	7.5	12.8	8.2
Mining	12,013	19,166	1	1	1	1	33.9	14.1	59.5	10.9
Construction	56,564	68,593	215	215	239	244	20.1	11.0	21.3	13.8
Manufacturing	285,735	325,636	263	274	275	277	13.3	4.6	14.0	1.2
Durable goods	182,321	211,944	0	0	0	0	15.2	---	16.2	---
Nondurable goods	103,414	113,692	0	0	0	0	10.0	---	9.9	---
Private service type	473,132	532,823	0	0	0	0	13.1	---	12.6	---
Transportation, communication, and public utilities	79,598	88,755	545	554	577	606	11.3	5.8	11.5	9.4
Wholesale and retail trade	177,331	201,608	0	0	0	0	14.1	---	13.7	---
Finance, insurance, and real estate	55,930	63,373	416	405	469	484	13.2	12.8	13.3	19.5
Services	160,273	179,087	2,351	2,406	2,561	2,619	12.7	8.9	11.7	8.8
Government	204,558	218,008	5,644	5,710	6,018	6,113	6.9	6.6	6.6	7.1
Federal	68,698	73,916	4,712	4,782	5,084	5,215	7.1	7.9	7.6	9.1
State and local	135,860	144,092	932	929	934	898	6.8	.2	6.1	-3.3
Other	3,499	3,950	0	0	0	0	14.6	---	12.9	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and District of Columbia¹

	United States		District of Columbia				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Washington, D.C.	---	---	188.1	190.6	205.3	211.4	---	9.1	---	10.9

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2 Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE:—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, the District of Columbia's civilian labor force was virtually unchanged, compared with a 3.2-percent national increase (table 4). The 50 States registered increases of from 0.3 percent in Illinois to 7.8 percent in Wyoming. Total employment in the District increased 1.8 percent (to 304,000) versus 3.8 percent nationally. The increase in the District, which exceeded increases in only five States, and the 1.9-percent increase in Delaware were the smallest increases in the Mideast region

With employment increasing about 5,000 and the labor force remaining virtually unchanged, the number of unemployed declined by between 5,000 and 6,000, to 25,000. The unemployment rate declined 1.6 percentage points, to 7.7 percent of the labor force. The District of Columbia's rate was considerably more than the national average rate of 6.3 percent; only eight States had unemployment rates that exceeded the District's. In addition to the District, all five States in the Mideast region had unemployment rates that exceeded the national average rate.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: District of Columbia

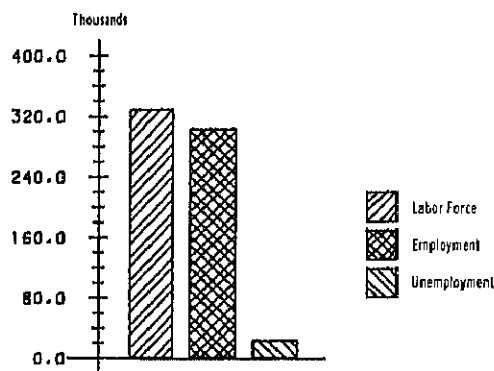


Chart 6.—Unemployment Rates, 1978:I—1979:I

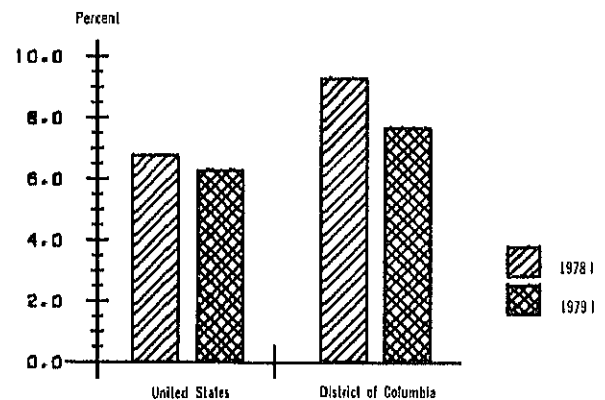


TABLE 4.—Labor Force, United States and District of Columbia

	United States		District of Columbia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977:IV— 1978:IV		1978:I— 1979 I	
	Thousands of persons, not seasonally adjusted*						Percent change*			
Employees on nonagricultural payrolls	84,207	86,680	580	579	590	586	4.2	1.8	2.9	1.2
Mining and services	16,488	17,045	154	155	161	160	4.9	4.5	3.4	3.4
Construction	3,784	3,973	15	13	15	14	11.2	2.7	5.0	6.2
Manufacturing	20,064	20,652	15	15	15	15	3.6	3.4	2.9	4.1
Transportation, communication, and public utilities	4,779	4,943	26	25	26	26	4.4	.0	3.4	1.6
Wholesale and retail trade	18,937	19,549	65	63	66	65	4.5	1.5	3.2	3.3
Finance, insurance, and real estate	4,601	4,790	33	33	34	34	5.2	.6	4.1	2.4
Government	15,435	15,648	272	275	273	272	1.4	.6	1.4	-1.1
Civilian labor force ¹	98,106	101,260	328	329	328	329	3.1	.2	3.2	.1
Total employed	91,401	94,901	298	299	303	304	3.9	1.7	3.8	1.8
Total unemployed	6,705	6,360	29	31	25	25	-8.8	-14.6	-5.1	-17.1
Percent unemployed	6.8	6.3	8.9	9.3	7.6	7.7	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

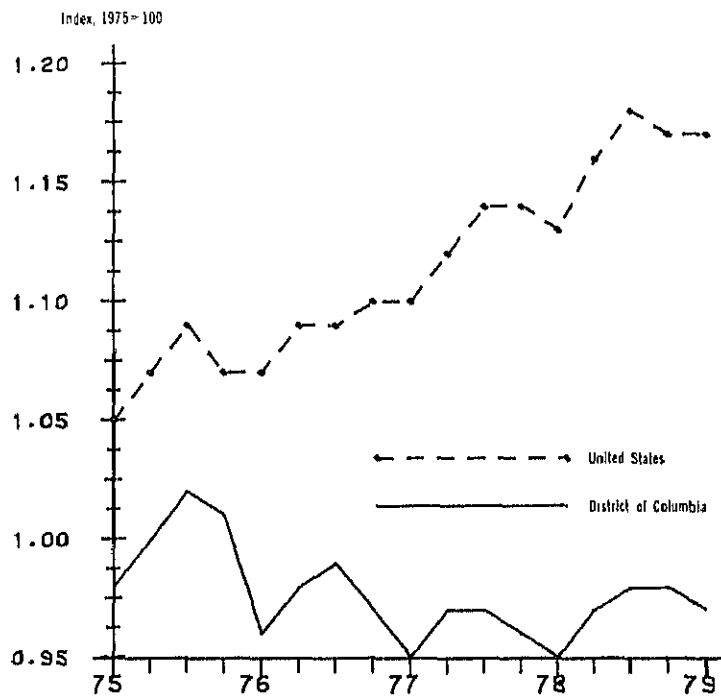


Chart 8.—Civilian Employment

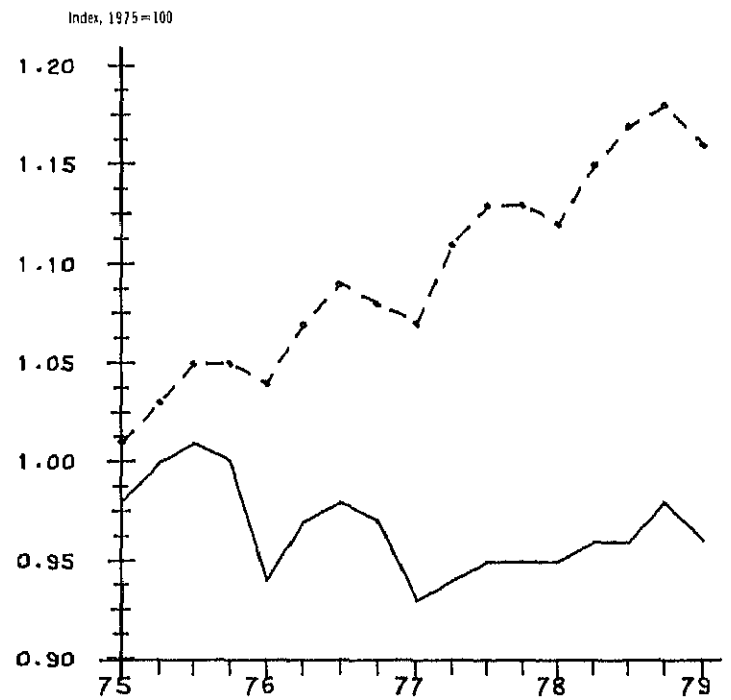


Chart 9.—Unemployment Rate

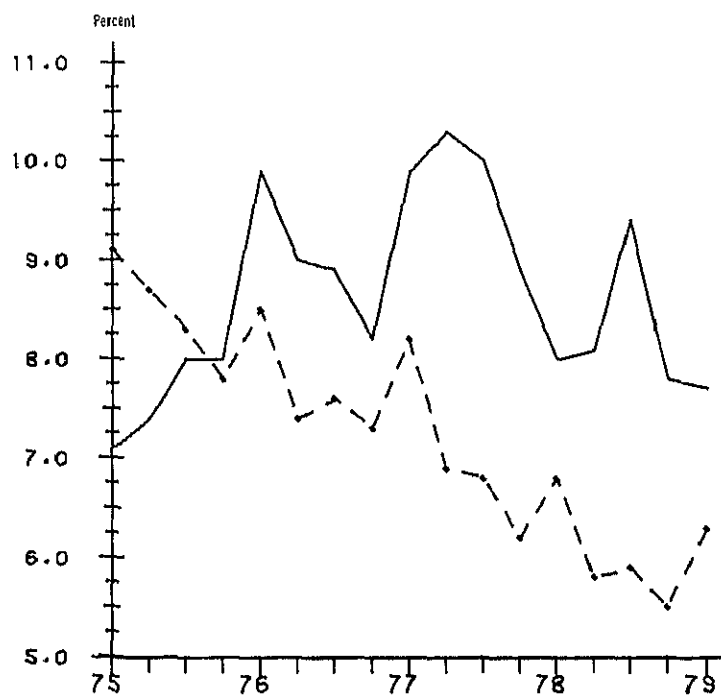
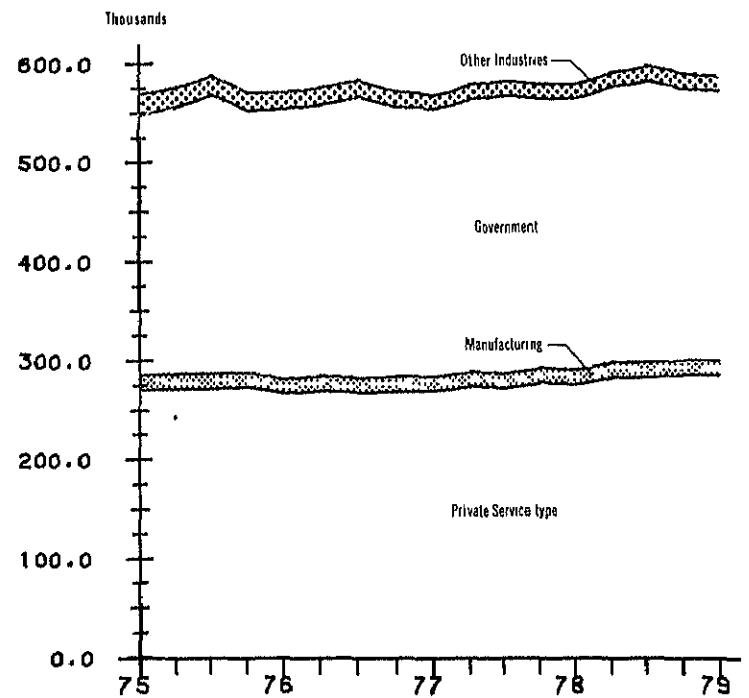


Chart 10.—Industrial Composition of Nonagricultural Employment: District of Columbia



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and District of Columbia

	United States		District of Columbia				U S	State	U S	State
	1978 I	1979 I	1977-IV	1978 I	1978-IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	2,828	2,808	3,482	n.a.	15.6	23.1	---	---
Commercial and industrial	202,241	n.a.	665	698	960	n.a.	13.3	44.3	---	---
Loans to individuals	143,356	n.a.	600	608	719	n.a.	18.7	19.9	---	---
Real estate	183,599	n.a.	1,016	1,021	1,187	n.a.	19.6	16.8	---	---
Residential	104,830	n.a.	591	584	655	n.a.	22.1	10.7	---	---
Farms	7,919	n.a.	1	1	2	n.a.	9.6	77.6	---	---
Other	70,851	n.a.	424	436	531	n.a.	17.0	25.2	---	---
Farms, excluding real estate	25,440	n.a.	1	1	1	n.a.	9.5	14.4	---	---
Other	64,581	n.a.	546	479	615	n.a.	7.9	12.7	---	---
Total deposits	911,772	n.a.	4,392	4,384	4,990	n.a.	9.3	13.6	---	---
Demand	344,245	n.a.	2,334	2,203	2,486	n.a.	5.6	6.5	---	---
Time and savings	567,527	n.a.	2,058	2,181	2,504	n.a.	11.9	21.7	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 23.1 percent (\$654 million) in the District of Columbia from 1977:IV to 1978:IV versus 15.6 percent nationally (table 5). The District's percentage increase matched that in Arizona and was exceeded only by the 26.7-percent increase in Nevada. In 1978:IV, bank loans totaled \$3.5 billion in the District. Commercial and industrial loans increased 44.3 percent from year to year, more than in any State and well over three times the national increase. Loans to individuals increased 19.9 percent in the District, one of the largest increases in the Nation, compared with an 18.7-percent national increase. In contrast,

real estate loans increased 16.8 percent, 2.8 percentage points less than nationally. Residential real estate loans were especially weak, increasing 10.7 percent versus 22.1 percent nationally; the District's increase exceeded increases only in Rhode Island and Alaska.

Total deposits increased 13.6 percent (\$598 million) from 1977:IV to 1978:IV versus 9.3 percent nationally. The District's increase was one of the largest in the Nation. In 1978:IV, bank deposits totaled \$5.0 billion in the District. Time and savings deposits registered the largest increase in the Nation, 21.7 percent, compared with a national increase of 11.9 percent. Demand deposits increased 6.5 percent from year to year versus 5.6 percent nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased only 2.8 percent (\$4.4 million), to \$161.6 million (table 6). The national increase was 19.8 percent. National construction costs increased about 14 percent during the same timespan, and if this national increase is representative of the cost increase throughout the District, the total valuation of contracts in the District of Columbia sustained a real decline of about 11 percent, compared with a national real increase of about 6 percent.

The valuation of nonbuilding contracts declined 40.3 percent (\$12.9 million) versus a national increase of 23.7 percent. The District of Columbia's percentage decline was one of the largest in the Nation. In 1978:I, a \$25 million contract for the construction of a subway tunnel raised the District's valuation of nonbuilding contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If the tunnel contract is excluded, the valuation of nonbuilding contracts in the District would have increased 170 percent. Street and highway contracts, a major component of nonbuilding contracts, increased 3.0 percent (\$167,000) from year to year versus 61.2 percent nationally.

Nonresidential contracts declined 5.5 percent (\$4.7 million) in valuation, only seven States registered larger percentage declines. Nationwide, nonresidential contracts increased 28.0 percent. In 1978:I, almost one-half of the \$84.8 million in nonresidential contracts in the District represented contracts for three office buildings. Similarly, in 1979:I, over two-fifths of the \$80.2 million in nonresidential contracts represented contracts for an office building and a hospital. If all five large contracts are excluded, the valuation of nonresidential contracts in the District would have increased 7.7 percent from year to year.

The valuation of contracts for additions and alterations to residential housekeeping units declined 0.9 percent (\$173,000) versus a national increase of 17.9 percent. The District's decline was exceeded only by declines in Pennsylvania and Hawaii. In contrast, the valuation of contracts for new residential housekeeping units increased 12.7 percent (\$2.7 million) from year to year, versus a national increase of 11.8 percent. The number of dwelling units started increased 9.4 percent (46 units), to 536, compared with a national increase of 2.6 percent.

Chart 14.—Construction Contracts—Total Valuation

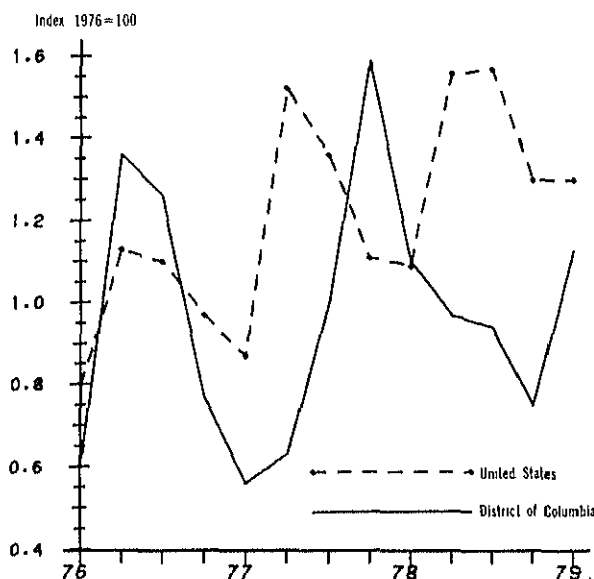


Chart 15.—Construction Contracts—Valuation of Contracts by Type: District of Columbia

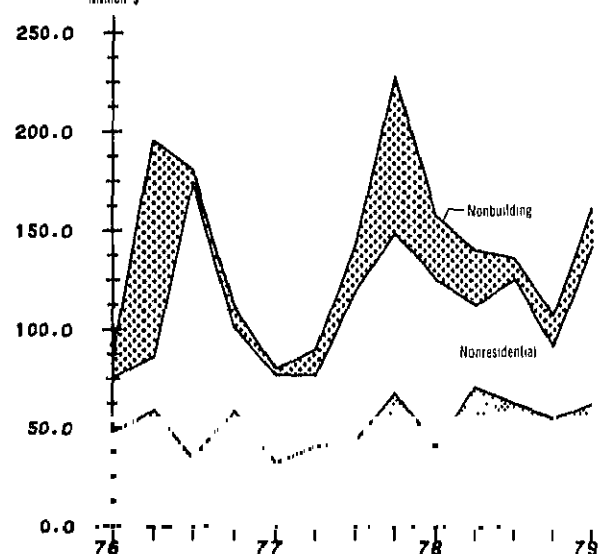


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

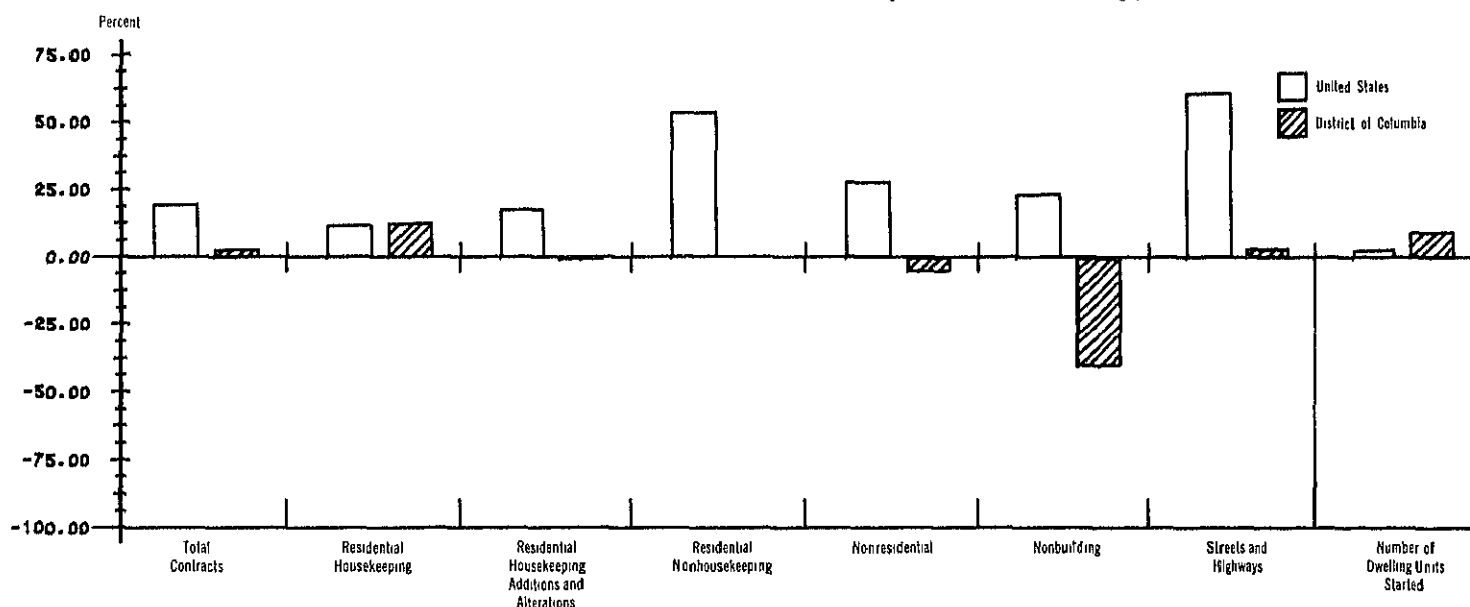


TABLE 6.—Construction Contracts, United States and District of Columbia¹

	United States		District of Columbia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	228,096	157,206	107,086	161,587	16.8	-53.1	19.8	2.8
Residential housekeeping, additions and alterations Valuation (thousands of dollars)	5,904,299	6,962,771	22,866	19,328	25,736	19,155	14.6	12.6	17.9	-9
All other contracts										
Number of contracts	53,028	53,454	126	96	130	130	-9.3	3.2	8	35.4
Valuation (thousands of dollars)	32,202,931	38,675,376	205,230	137,878	81,350	142,432	17.3	-60.4	20.1	3.3
Floor area (thousands of square feet)	807,538	904,811	2,095	2,415	993	1,890	10.3	-52.6	12.0	-21.7
Residential housekeeping										
Number of contracts	13,582	14,399	13	20	26	36	-4.3	100.0	5.9	80.0
Number of dwelling units	404,171	414,826	177	490	485	536	-2	174.0	2.6	9.4
Valuation (thousands of dollars)	13,806,696	15,431,523	9,734	20,940	29,176	23,600	15.6	199.7	11.8	12.7
Floor area (thousands of square feet)	546,445	571,860	271	579	440	613	10.7	62.3	4.7	5.9
Residential nonhousekeeping										
Number of contracts	441	464	5	0	4	5	-4	-20.0	5.2	----
Valuation (thousands of dollars)	327,201	504,158	35,417	0	293	19,470	54.9	-99.2	54.1	----
Floor area (thousands of square feet)	8,179	11,483	700	0	0	360	34.7	----	40.4	----
Nonresidential										
Number of contracts	25,282	23,514	86	60	64	55	-12.0	-25.6	-7.0	-8.3
Valuation (thousands of dollars)	9,056,146	11,595,243	81,375	84,831	36,533	80,179	16.3	-55.1	28.0	-5.5
Floor area (thousands of square feet)	252,915	321,468	1,124	1,837	552	917	8.7	-50.8	27.1	-50.1
Nonbuilding										
Number of contracts	13,713	15,077	22	16	36	34	-9.1	63.6	9.9	112.5
Valuation (thousands of dollars)	9,012,888	11,144,452	78,704	32,107	15,348	19,183	20.6	-80.5	23.7	-40.3
Streets and Highways										
Number of contracts	3,989	4,750	4	4	9	16	-17.8	125.0	19.1	300.0
Valuation (thousands of dollars)	1,399,453	2,255,221	480	5,541	3,881	5,708	-18.1	708.5	61.2	3.0

- 1 Contracts started or expected to start within 60 days
2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for the District of Columbia are not available.

TABLE 7.—Retail Sales, United States and District of Columbia

	United States		District of Columbia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	----	15.8	----
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	----	23.1	----
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	----	12.3	----

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and District of Columbia

	United States		District of Columbia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	680	159	235	n.a.	13.2	-65.4	----	----
Total number of business failures	1,729	n.a.	0	0	4	n.a.	-4.9	----	----	----
Current liabilities (thousands of dollars)	697,734	n.a.	0	0	53,807	n.a.	13.7	----	----	----
Average liability per failure (thousands of dollars)	404	n.a.	0	0	13,452	n.a.	19.4	----	----	----
Business failures by industry										
Mining and manufacturing	271	n.a.	0	0	0	n.a.	6.0	----	----	----
Construction	279	n.a.	0	0	2	n.a.	-8.2	----	----	----
Wholesale trade	205	n.a.	0	0	0	n.a.	-6.3	----	----	----
Retail trade	769	n.a.	0	0	1	n.a.	-4	----	----	----
Commercial services	205	n.a.	0	0	1	n.a.	-23.5	----	----	----

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 12.9% vs. 12.6% in U.S., to \$70.0 billion —Payrolls up 17.3% in finance-insurance-real estate vs. 13.3% in U.S. and 9.1% in services vs. 11.7% in U.S.
Employment	—Up 5.4% vs. 3.8% in U.S., to 3.6 million
Unemployment	—Up 3,000, to 242,000 —Rate down slightly, to 6.4% of the labor force vs. 6.3% U.S. rate
Construction	—Total valuation of contracts up 34.0% vs. 19.8% in U.S. —Valuation of nonresidential contracts down 6.7% vs. 28.0% increase in U.S. —Number of dwelling-unit starts up 61.2% vs. 2.6% in U.S.
Retail sales	—Up 19.2% vs. 15.8% in U.S., to almost \$9.8 billion

TABLE 1.—Summary of Economic Indicators, United States and Florida

	United States		Florida				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979 I	1977 IV— 1978:IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	59,181	61,708	67,448	69,692	12.6	14.0	12.6	12.9
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	33,163	34,752	37,768	39,094	12.6	13.9	12.8	12.5
Civilian employment (thousands)	91,401	94,901	3,369	3,370	3,468	3,553	3.9	2.9	3.8	5.4
Unemployment (thousands)	6,705	6,360	269	239	243	242	-8.8	-9.8	-5.1	1.3
Percent unemployed (unemployment/labor force)	6.8	6.3	7.4	6.6	6.5	6.4	---	---	---	---
Total loans (millions of dollars)	619,218	na	15,648	16,080	18,600	na	15.6	18.9	---	---
Total deposits (millions of dollars)	911,772	na	29,702	30,135	32,170	na	9.3	8.3	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	2,000,696	2,355,755	2,500,709	3,156,040	16.8	25.0	19.8	34.0
Dwelling units started (number)	404,171	414,826	29,670	35,432	38,869	57,099	-2	31.0	2.6	61.2
Total retail sales (millions of dollars)	167,940	194,529	8,664	8,205	9,890	9,783	11.2	14.2	15.8	19.2
New business incorporations (number)	115,247	na	8,646	9,467	11,277	na	13.2	30.4	---	---
Business failures (number)	1,729	na	38	52	28	na	-4.9	-26.3	---	---
Consumer Price Index (1967=100) U S city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---

na Data not available

Source See tables 2 through 8

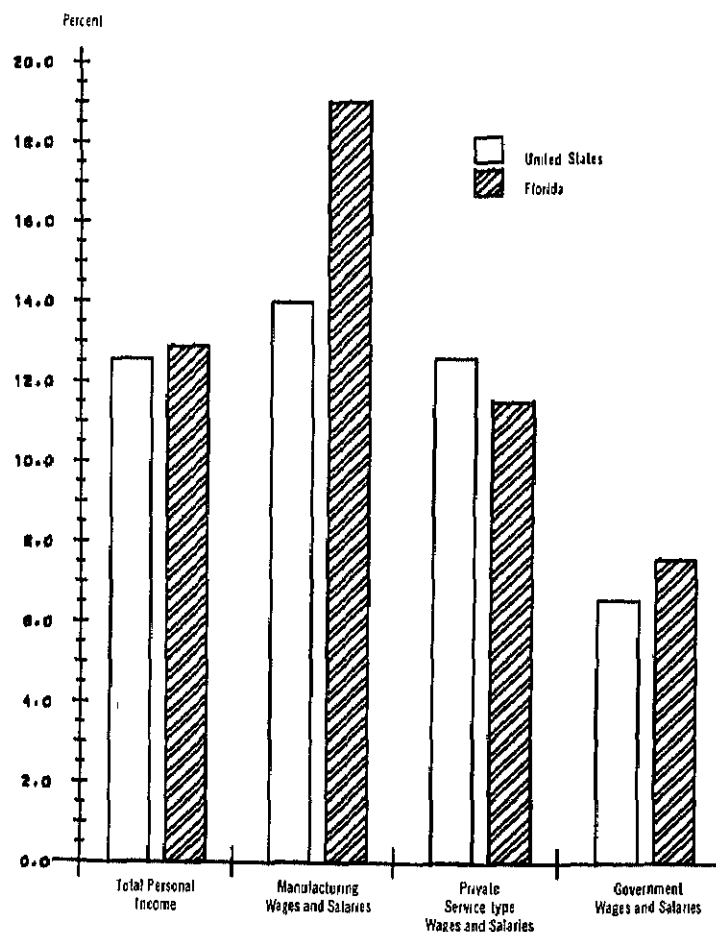
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.9 percent in Florida from 1978:I to 1979:I, slightly more than nationally (table 2). In 1979:I, the State's personal income totaled \$69.7 billion, up \$8.0 billion since 1978:I.

Wage and salary disbursements (payrolls) in Florida increased 12.5 percent from 1978:I to 1979:I, slightly less than nationally. In 1979:I, they totaled \$39.1 billion, \$4.3 billion more than in 1978:I.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Services payrolls, which accounted for almost one-fifth of the State's total payrolls in 1979:I (versus 15 percent nationally), increased only 9.1 percent from 1978:I to 1979:I, compared with a national increase of 11.7 percent. The State's increase was one of the smallest in the Nation. Similarly, payrolls in transportation-communication-public utilities increased only 7.4 percent in Florida versus 11.5 percent nationally. Trade payrolls in the State, in contrast, increased about the same as nationally, 13.6 percent, and payrolls in finance-insurance-real estate registered one of the largest increases in the Nation, 17.3 percent, compared with a national increase of 13.3 percent.

Construction payrolls increased 22.6 percent in Florida versus 21.3 percent nationally.

Federal Government payrolls increased 7.3 percent from year to year, compared with a 7.6-percent national increase. In contrast, State and local government payrolls increased more in the State, 7.8 percent, than nationally, 6.1 percent.

In manufacturing, durable goods payrolls increased 20.9 percent versus 16.2 percent nationally, and nondurable goods payrolls increased 16.4 percent versus 9.9 percent nationally. Florida's increase in nondurables manufacturing payrolls was one of the largest in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

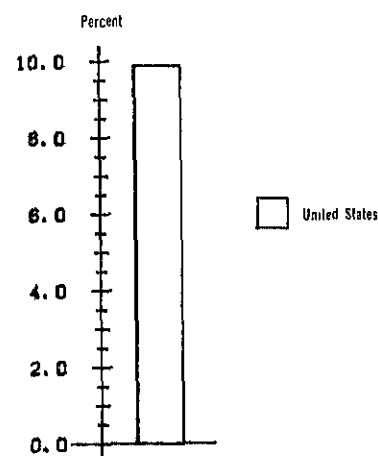


Chart 3.—Total Personal Income
[Seasonally adjusted]

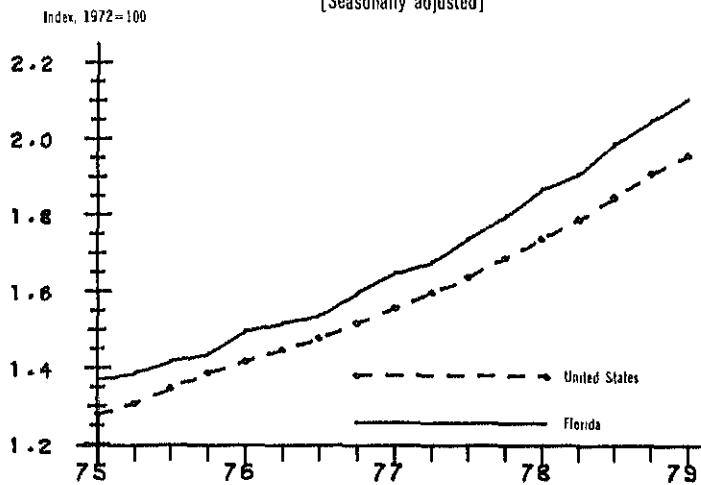


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

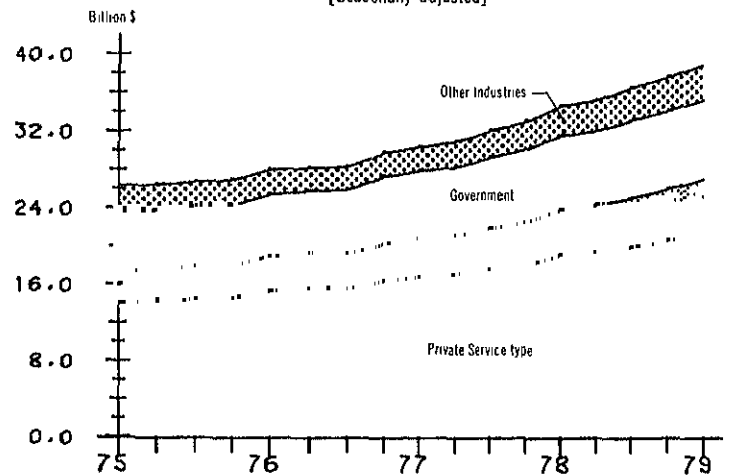


TABLE 2.—Personal Income, United States and Florida

	United States		Florida				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	59,181	61,708	67,448	69,692	12.6	14.0	12.6	12.9
Farm personal income	32,083	40,141	1,037	1,295	1,384	1,581	26.3	33.5	25.1	22.1
Nonfarm personal income	1,592,582	1,789,374	58,144	60,412	66,063	68,111	12.3	13.6	12.4	12.7
Total personal income	1,624,665	1,829,515	59,181	61,708	67,448	69,692	12.6	14.0	12.6	12.9
Wage and salary disbursements	1,042,716	1,176,598	33,163	34,752	37,768	39,094	12.6	13.9	12.8	12.5
Other labor income	99,957	115,833	2,970	3,159	3,485	3,636	16.4	17.3	15.9	15.1
Proprietors' income	108,808	126,535	3,302	3,638	4,003	4,198	18.9	21.2	16.3	15.4
Farm	24,448	31,221	608	863	906	1,074	31.3	49.0	27.7	24.5
Nonfarm	84,360	95,314	2,694	2,775	3,097	3,124	15.3	15.0	13.0	12.6
Dividends, interest, and rent	221,191	250,595	11,212	11,592	12,859	13,372	12.8	14.7	13.3	15.3
Transfer payments	219,202	238,794	10,426	10,641	11,537	11,815	8.2	10.7	8.9	11.0
State unemployment insurance benefits	9,997	8,023	176	144	112	122	-30.3	-36.0	-19.7	-15.4
Less personal contributions	66,792	78,351	1,859	2,038	2,164	2,380	15.1	16.4	17.3	16.8
Plus residence adjustment	-417	-489	-33	-37	-40	-42	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	33,163	34,752	37,768	39,094	12.6	13.9	12.8	12.5
Farm	7,215	8,422	387	390	431	457	10.6	11.2	16.7	17.2
Nonfarm	1,035,501	1,168,176	32,776	34,362	37,338	38,637	12.6	13.9	12.8	12.4
Mining	12,013	19,166	116	128	147	150	33.9	27.6	59.5	16.9
Construction	56,564	68,593	2,147	2,263	2,601	2,773	20.1	21.1	21.3	22.6
Manufacturing	285,735	325,636	4,585	4,791	5,417	5,701	13.3	18.2	14.0	19.0
Durable goods	182,321	211,944	2,605	2,772	3,139	3,351	15.2	20.5	16.2	20.9
Nondurable goods	103,414	113,692	1,980	2,019	2,278	2,350	10.0	15.1	9.9	16.4
Private service type	473,132	532,823	18,147	19,182	20,681	21,389	13.1	14.0	12.6	11.5
Transportation, communication, and public utilities	79,598	88,755	2,843	2,978	3,063	3,199	11.3	7.7	11.5	7.4
Wholesale and retail trade	177,331	201,608	6,709	7,035	7,699	7,990	14.1	14.8	13.7	13.6
Finance, insurance, and real estate	55,930	63,373	2,269	2,403	2,707	2,819	13.2	19.3	13.3	17.3
Services	160,273	179,087	6,325	6,768	7,212	7,381	12.7	14.0	11.7	9.1
Government	204,558	218,008	7,520	7,713	8,190	8,302	6.9	8.9	6.6	7.6
Federal	68,698	73,916	2,526	2,608	2,731	2,799	7.1	8.1	7.6	7.3
State and local	135,860	144,092	4,994	5,105	5,459	5,504	6.8	9.3	6.1	7.8
Other	3,499	3,950	261	285	301	323	14.6	15.1	12.9	13.4

1 Detail may not add to totals because of rounding.

2 Based on unrounded data

Source U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Florida¹

	United States		Florida				U S	State	U.S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV	1978:I— 1979:I		
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population
Source U.S. Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time

Labor Force

From 1978:I to 1979:I, Florida's civilian labor force increased 5.2 percent versus 3.2 percent nationally (table 4). The State's increase was the sixth largest in the Nation. Total employment increased 5.4 percent versus 3.8 percent nationally, to 3.6 million. Florida's employment increase was the largest in the Southeast region.

With the labor force increasing by 186,000 and employment increasing by 183,000, the number of unemployed increased by 3,000, to 242,000. Florida's unemployment rate declined only slightly, to 6.4 percent of the labor force in 1979:I, about the same as nationally.

Among Florida's major metropolitan areas, preliminary unemployment rates for March 1979, when the State's rate was 5.8 percent, ranged from 6.0 percent in Jacksonville to 5.4 percent in Orlando. In Miami and Tampa-St. Petersburg, which together accounted for one-third of the State's total labor force in March 1979, unemployment rates were 5.7 percent and 5.5 percent, respectively.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Florida

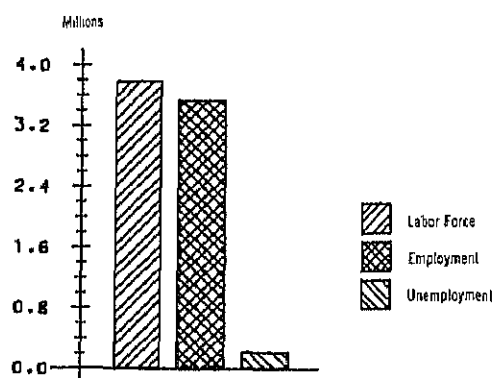


Chart 6.—Unemployment Rates, 1978:I—1979:I

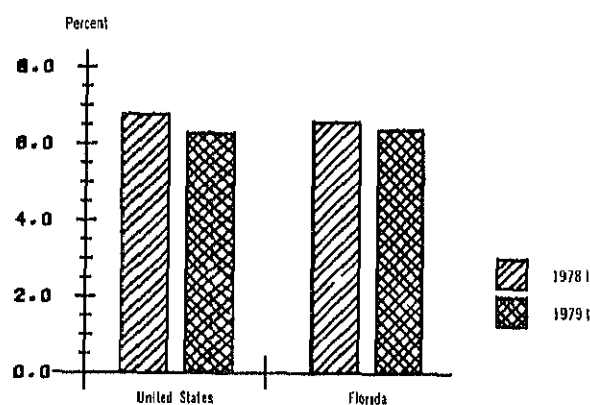


TABLE 4.—Labor Force, United States and Florida

	United States		Florida				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978:I	1978:IV	1979 I	1977:IV— 1978:IV	1978 I— 1979:I		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	3,020	3,090	3,187	3,251	4.2	5.6	2.9	5.2
Mining	730	896	9	9	10	10	14.4	1.1	22.7	2.1
Construction	3,784	3,973	189	192	214	216	11.2	13.1	5.0	12.4
Manufacturing	20,064	20,652	396	409	437	445	3.6	10.3	2.9	8.8
Transportation, communication, and public utilities	4,779	4,943	186	191	197	201	4.4	5.7	3.4	5.1
Wholesale and retail trade	18,937	19,549	795	814	825	838	4.5	3.8	3.2	2.9
Finance, insurance, and real estate	4,601	4,790	207	213	225	231	5.2	8.9	4.1	8.5
Services	15,758	16,149	645	679	684	711	4.4	6.0	2.5	4.8
Government	15,435	15,648	591	583	596	601	1.4	7	1.4	3.0
Civilian labor force ³	98,106	101,260	3,638	3,610	3,710	3,796	3.1	2.0	3.2	5.2
Total employed	91,401	94,901	3,369	3,370	3,468	3,553	3.9	2.9	3.8	5.4
Total unemployed	6,705	6,360	269	239	243	242	-8.8	-9.8	-5.1	1.3
Percent unemployed	6.8	6.3	7.4	6.6	6.5	6.4	---	---	---	---

1. Detail may not add to totals because of rounding

2. Based on unrounded data

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

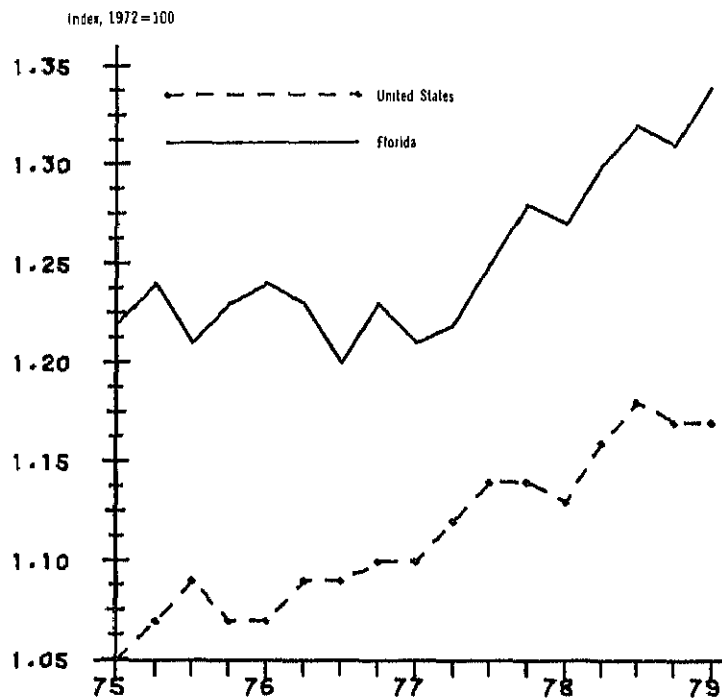


Chart 8.—Civilian Employment

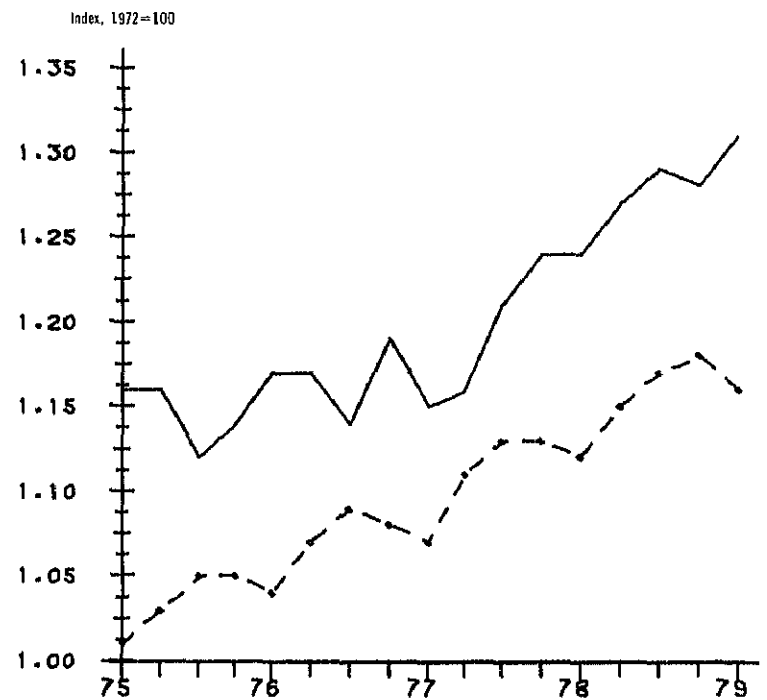


Chart 9.—Unemployment Rate

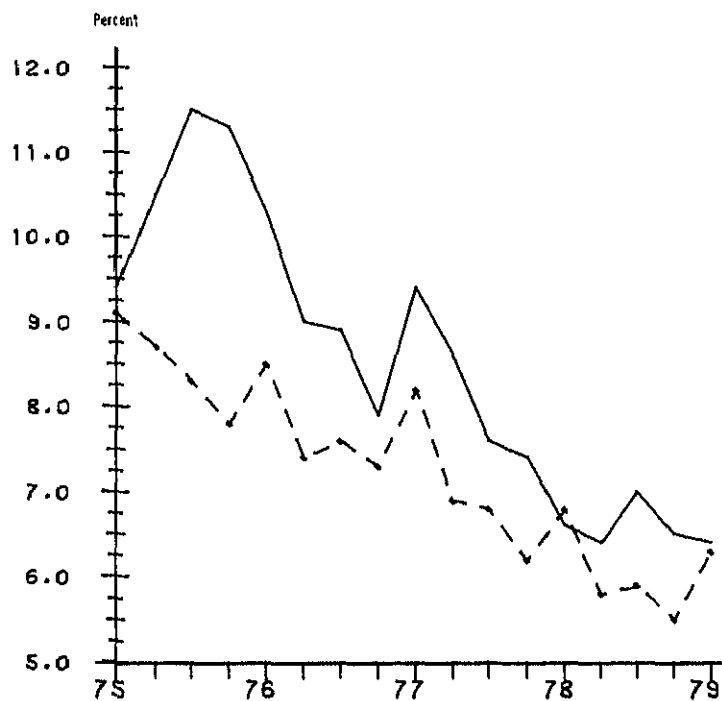
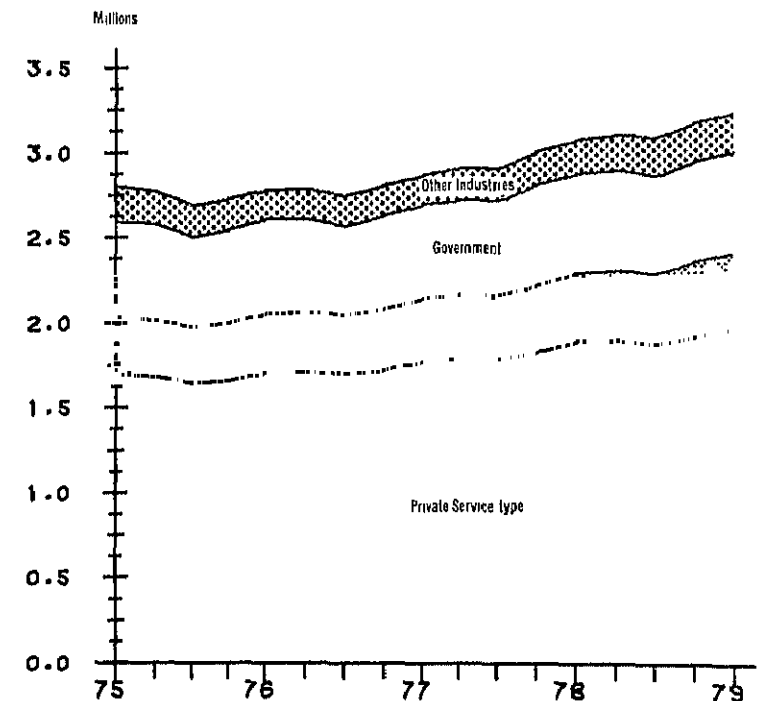


Chart 10.—Industrial Composition of Nonagricultural Employment: Florida



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I—1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Florida

	United States		Florida				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	15,648	16,080	18,600	n.a.	15.6	18.9	---	---
Commercial and industrial	202,241	n.a.	3,715	3,817	4,167	n.a.	13.3	12.2	---	---
Loans to individuals	143,356	n.a.	5,253	5,396	6,371	n.a.	18.7	21.3	---	---
Real estate	183,599	n.a.	5,755	6,000	7,067	n.a.	19.6	22.8	---	---
Residential	104,830	n.a.	2,581	2,719	3,373	n.a.	22.1	30.7	---	---
Farms	7,919	n.a.	148	150	156	n.a.	9.6	5.5	---	---
Other	70,851	n.a.	3,025	3,132	3,538	n.a.	17.0	16.9	---	---
Farms, excluding real estate	25,440	n.a.	168	166	173	n.a.	9.5	3.0	---	---
Other	64,581	n.a.	758	701	822	n.a.	7.9	8.5	---	---
Total deposits	911,772	n.a.	29,702	30,135	32,170	n.a.	9.3	8.3	---	---
Demand	344,245	n.a.	12,347	12,289	13,489	n.a.	5.6	9.2	---	---
Time and savings	567,527	n.a.	17,355	17,846	18,681	n.a.	11.9	7.6	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV—1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 18.9 percent (\$3.0 billion) in Florida from 1977:IV to 1978:IV, one of the largest increases in the Nation and 3.3 percentage points more than nationally (table 5). In 1978:IV, bank loans totaled \$18.6 billion in the State. Florida's 21.3-percent increase in loans to individuals was one of the largest in the Nation; the increase compared favorably with an 18.7-percent national increase. Real estate loans increased 22.8 percent in the State versus 19.6 percent nationally. The State's 30.7-percent increase in residential real estate loans was one of the largest in the Nation; the corresponding national increase was 22.1

percent. The State's large increase reflected a resurgence in residential construction. In contrast to most other types of loans in Florida, the 12.2-percent increase in commercial and industrial loans somewhat lagged the corresponding national increase.

Total deposits increased 8.3 percent (\$2.5 billion) in Florida from 1977:IV to 1978:IV, 1.0 percentage point less than nationally. In 1978:IV, bank deposits totaled \$32.2 billion in the State. Time and savings deposits increased 7.6 percent from year to year, one of the smallest increases among all States, compared with a national increase of 11.9 percent. In contrast, demand deposits increased 9.2 percent from year to year, 3.6 percentage points more than nationally.

Construction

From 1978:I to 1979:I, the total valuation of contracts for construction, one of Florida's major industries, increased 34.0 percent (\$800.3 million), to \$3.2 billion (table 6). Florida's percentage increase exceeded the Nation's by 14.2 percentage points. National construction costs increased about 14 percent during the same timespan, and if this national increase is representative of the cost increase throughout the State, the real increase in the total valuation of Florida's contracts was about 20 percent versus a national increase of about 6 percent.

The valuation of residential housekeeping contracts, which accounted for two-thirds of the valuation of all new construction in Florida in 1979:I, increased 72.3 percent (\$791.9 million) from 1978:I to 1979:I, compared with a national increase of 11.8 percent. Florida's percentage gain was the second largest in the Nation, after West Virginia's. The sharp year-to-year increase in the State was due, in large part, to several large contracts in 1979:I—three contracts totaling \$173.2 million for the construction of one-family houses in Broward, Dade, and Palm Beach Counties, and a \$46.0 million contract for the construction of apartment buildings in Dade County. From 1978:I to 1979:I, the number of dwelling units started in the State increased 61.2 percent (21,667 units), to 57,099, compared with a national increase of 2.6 percent. The percentage increase in Florida was the second largest nationally (after New Jersey's). Florida accounted for nearly 14 percent of all dwelling units started throughout the Nation in 1979:I.

From 1978:I to 1979:I, the valuation of contracts for additions and

alterations to residential housekeeping units increased 18.8 percent (\$45.4 million) in the State versus 17.9 percent nationally.

In contrast to other categories of residential contracts, residential nonhousekeeping contracts, covering hotels, motels, and dormitories, increased only 2.5 percent (\$702,000) in valuation, compared with 54.1 percent nationally.

Nonbuilding contracts increased 4.6 percent in valuation (\$11.5 million) versus 23.7 percent nationally. Street and highway contracts, a major component of nonbuilding contracts, increased only 1.9 percent in valuation (\$1.3 million) in the State, compared with a national increase of 61.2 percent.

Nonresidential building was the only construction category in Florida that sustained a year-to-year decline in valuation—6.7 percent (\$49.3 million). Nationally, nonresidential contracts increased 28.0 percent in valuation. In 1978:I, a \$200 million contract for the construction of a chemical plant in Hamilton County and a \$100 million contract for the construction of a chemical plant in Hardee County raised the valuation of the State's nonresidential contracts to an unusually high level, thereby distorting the subsequent year-to-year change. It should be noted, however, that a \$70.8 million contract in 1979:I for the construction of a hospital in Pinellas County partly offset the distorting effect of the two large 1978:I contracts. If all three contracts are excluded, the valuation of nonresidential contracts in Florida would have increased 40.8 percent from year to year.

Chart 14.—Construction Contracts—Total Valuation

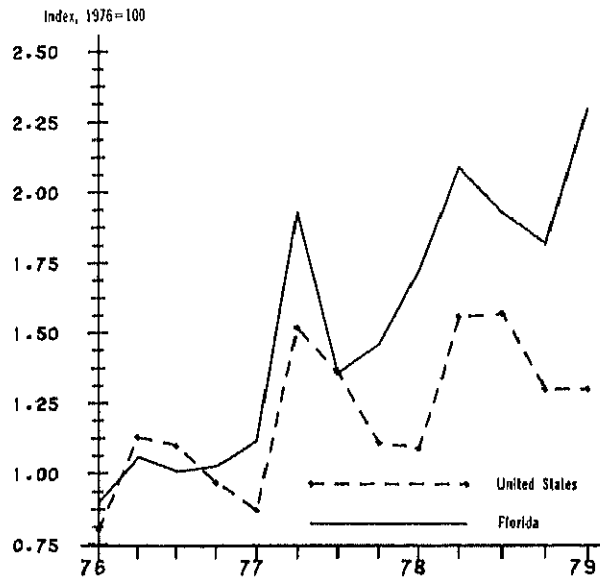


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Florida

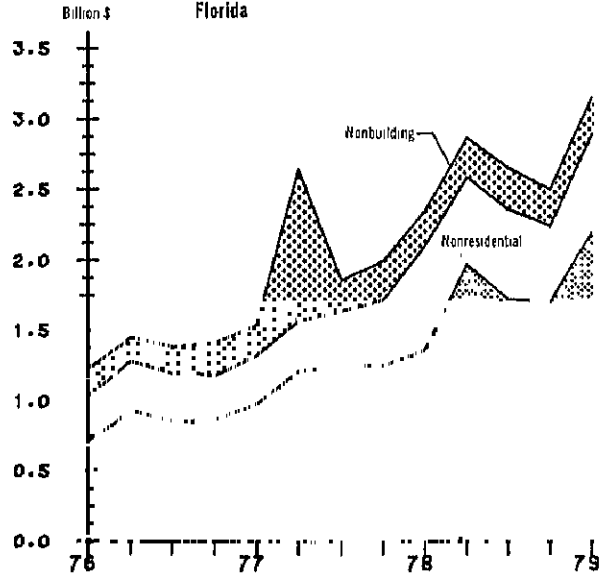


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

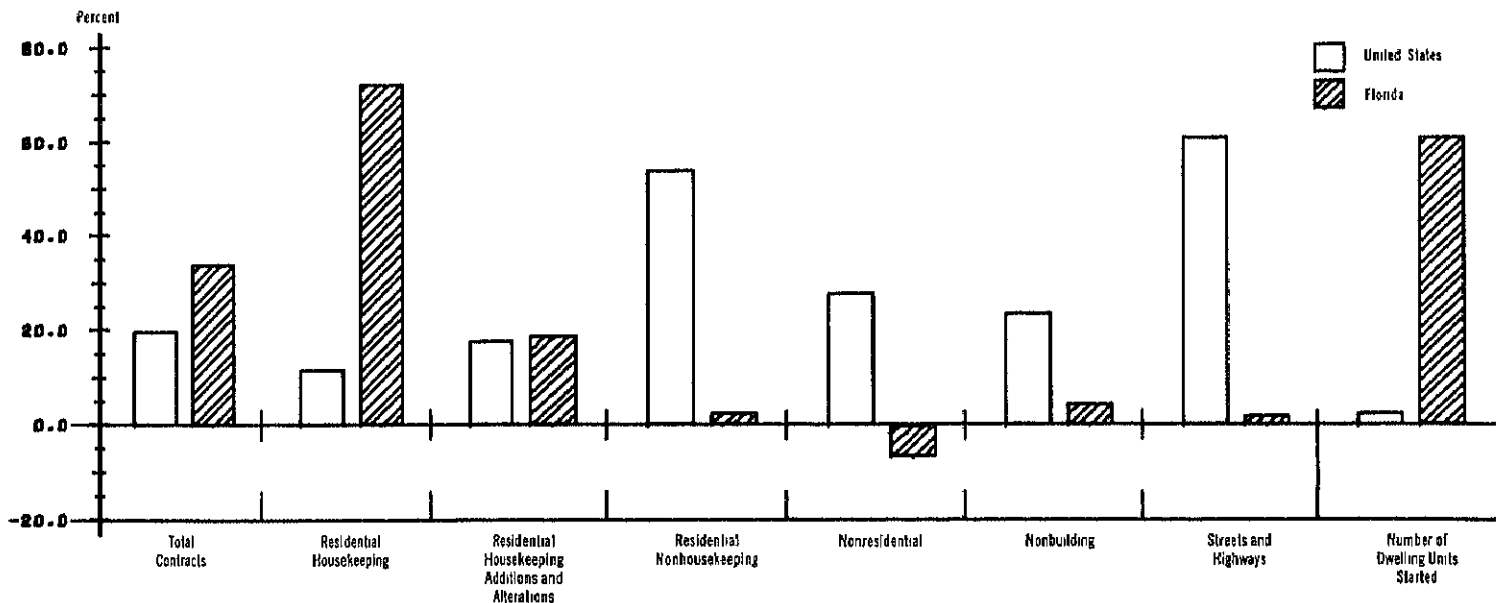


TABLE 6.—Construction Contracts, United States and Florida¹

	United States		Florida				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV- 1978 IV		1978 I- 1979 I	
	Not seasonally adjusted						Percent change ¹			
Total valuation of contracts	38,107,230	45,638,147	2,000,696	2,355,755	2,500,709	3,156,040	16.8	25.0	19.8	34.0
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	288,703	242,135	347,094	287,557	14.6	20.2	17.9	18.8
All other contracts										
Number of contracts	53,028	53,454	4,114	3,693	3,552	3,689	-9.3	-13.7	8	-1
Valuation (thousands of dollars)	32,202,931	38,675,376	1,711,993	2,113,620	2,153,615	2,868,483	17.3	25.8	20.1	35.7
Floor area (thousands of square feet)	807,538	904,811	56,398	66,745	75,275	99,270	10.3	33.5	12.0	48.7
Residential housekeeping										
Number of contracts	13,592	14,399	748	708	808	953	-4.3	8.0	5.9	34.6
Number of dwelling units	404,171	414,826	29,670	35,432	38,869	57,099	-2	31.0	2.6	61.2
Valuation (thousands of dollars)	13,806,696	15,431,523	951,974	1,095,051	1,338,631	1,886,998	15.6	40.6	11.8	72.3
Floor area (thousands of square feet)	546,445	571,860	39,733	46,651	54,783	75,320	10.7	37.9	4.7	61.5
Residential nonhousekeeping										
Number of contracts	441	464	55	43	49	41	-4	-10.9	5.2	-4.7
Valuation (thousands of dollars)	327,201	504,158	10,838	28,343	18,900	29,045	54.9	74.4	54.1	2.5
Floor area (thousands of square feet)	8,179	11,483	362	706	491	871	34.7	35.8	40.4	23.5
Nonresidential										
Number of contracts	25,282	23,514	2,544	2,334	2,056	1,962	-12.0	-19.2	-7.0	-15.9
Valuation (thousands of dollars)	9,056,146	11,595,243	468,027	740,609	533,709	691,303	16.3	14.0	28.0	-6.7
Floor area (thousands of square feet)	252,915	321,468	16,303	19,389	20,001	23,079	8.7	22.7	27.1	19.0
Nonbuilding										
Number of contracts	13,713	15,077	767	608	639	733	-9.1	-16.7	9.9	20.6
Valuation (thousands of dollars)	9,012,888	11,144,452	281,154	249,617	262,375	261,137	20.6	-6.7	23.7	4.6
Streets and Highways										
Number of contracts	3,989	4,750	235	133	205	169	-17.8	-12.8	19.1	27.4
Valuation (thousands of dollars)	1,399,453	2,255,221	151,827	69,767	91,665	71,066	-18.1	-39.6	61.2	1.9

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Florida totaled almost \$9.8 billion in 1979:I, up 19.2 percent (\$1.6 billion) since 1978:I, compared with a 15.8-percent national increase (table 7). In 1979:I, nondurable goods totaled over \$6.1 billion, and durable goods totaled over \$3.6 billion.

TABLE 7.—Retail Sales, United States and Florida

	United States		Florida				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	8,664	8,205	9,890	9,783	11.2	14.2	15.8	19.2
Durable goods	55,388	68,203	n a	n a	3,542	3,639	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n a	n a	6,348	6,144	9.2	---	12.3	---

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Florida

	United States		Florida				U S	State	U S	State
	1978.I	1979 I	1977 IV	1978 I	1978.IV	1979 I	1977.IV-- 1978.IV		1978.I-- 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	8,646	9,467	11,277	n.a.	13.2	30.4	---	---
Total number of business failures	1,729	n.a.	38	52	28	n.a.	-4.9	-26.3	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	6,443	11,577	5,044	n.a.	13.7	-21.7	---	---
Average liability per failure (thousands of dollars)	404	n.a.	170	223	180	n.a.	19.4	5.9	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	9	7	1	n.a.	6.0	-88.9	---	---
Construction	279	n.a.	5	7	6	n.a.	-8.2	20.0	---	---
Wholesale trade	205	n.a.	7	7	2	n.a.	-6.3	-71.4	---	---
Retail trade	769	n.a.	13	26	18	n.a.	-4	38.5	---	---
Commercial services	205	n.a.	4	5	3	n.a.	-23.5	-25.0	---	---

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

—Up 10.6% vs. 12.6% in U.S., to \$36.4 billion
—Payrolls up 10.6% in trade vs. 13.7% in U.S. and 8.1% in services vs. 11.7% in U.S.

Consumer prices

—Up 7.7% in Atlanta vs. 9.9% in U.S.

Employment

—Up 2.6% vs. 3.8% in U.S., to 2.2 million

Unemployment

—Up 4,000, to 137,000
—Rate unchanged, at 5.9% of labor force vs. 6.3% U.S. rate

Construction

—Total valuation of contracts down 3.9% vs. 19.8% increase in U.S.
—Valuation of nonresidential contracts down 43.6% vs. 28.0% increase in U.S.
—Number of dwelling-unit starts down 1.1% vs. 2.6% increase in U.S.

TABLE 1.—Summary of Economic Indicators, United States and Georgia

	United States		Georgia				U S	State	U S	State
	1978:I	1979 I	1977:IV	1978:I	1978 IV	1979:I	1977:IV— 1978 IV		1978:I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	31,734	32,889	35,323	36,381	12.6	11.3	12.6	10.6
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	21,687	22,410	23,832	24,661	12.6	9.9	12.8	10.0
Civilian employment (thousands)	91,401	94,901	2,141	2,136	2,204	2,192	3.9	2.9	3.8	2.6
Unemployment (thousands)	6,705	6,360	148	133	126	137	-8.8	-14.7	-5.1	2.7
Percent unemployed (unemployment/labor force)	6.8	6.3	6.5	5.9	5.4	5.9	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	10,132	10,191	11,074	n.a.	15.6	9.3	---	---
Total deposits (millions of dollars)	911,772	n.a.	14,583	14,462	16,141	n.a.	9.3	10.7	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	915,405	912,989	1,008,832	877,435	16.8	10.2	19.8	-3.9
Dwelling units started (number)	404,171	414,826	9,963	11,388	11,040	11,265	-2	10.8	2.6	-1.1
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	2,402	2,947	2,958	n.a.	13.2	23.1	---	---
Business failures (number)	1,729	n.a.	21	18	26	n.a.	-4.9	23.8	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Atlanta	---	---	184.5	188.2	198.8	202.7	---	7.8	---	7.7

n.a. Data not available.

Source See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.6 percent in Georgia from 1978:I to 1979:I, 2 percentage points less than nationally (table 2). Georgia's increase was the smallest in the Southeast region. In 1979:I, the State's personal income totaled \$36.4 billion, up \$3.5 billion since 1978:I.

From 1978:I to 1979:I, the Consumer Price Index for the Atlanta metropolitan area increased 7.7 percent versus a national average increase of 9.9 percent (table 3). If Atlanta's increase is used as an indicator for price movements in the State, real total personal income in Georgia increased 2.9 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 10.0 percent in Georgia, one of the smallest increases in the Nation, compared with a national increase of 12.8 percent. In 1979:I, payrolls totaled \$24.7 billion in the State, up \$2.3 billion since 1978:I.

Payrolls in the private service-type industry group increased 9.6 percent from year to year, exceeding increases in only New York, Hawaii, and Alaska; nationally, private service-type payrolls increased 12.6 percent. All four private service-type industries in Georgia registered payroll increases that lagged national counterparts.

Durable goods manufacturing payrolls in Georgia increased 10.0 percent, 6.2 percentage points less than nationally and one of the smallest increases among all States. In contrast, nondurable goods payrolls increased 12.6 percent from year to year versus 9.9 percent nationally.

Construction payrolls in Georgia registered one of the smallest increases in the Nation, 10.7 percent, only one-half of the national increase.

In contrast, both Federal Government and State and local government payrolls increased more in Georgia than nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
(Seasonally adjusted)

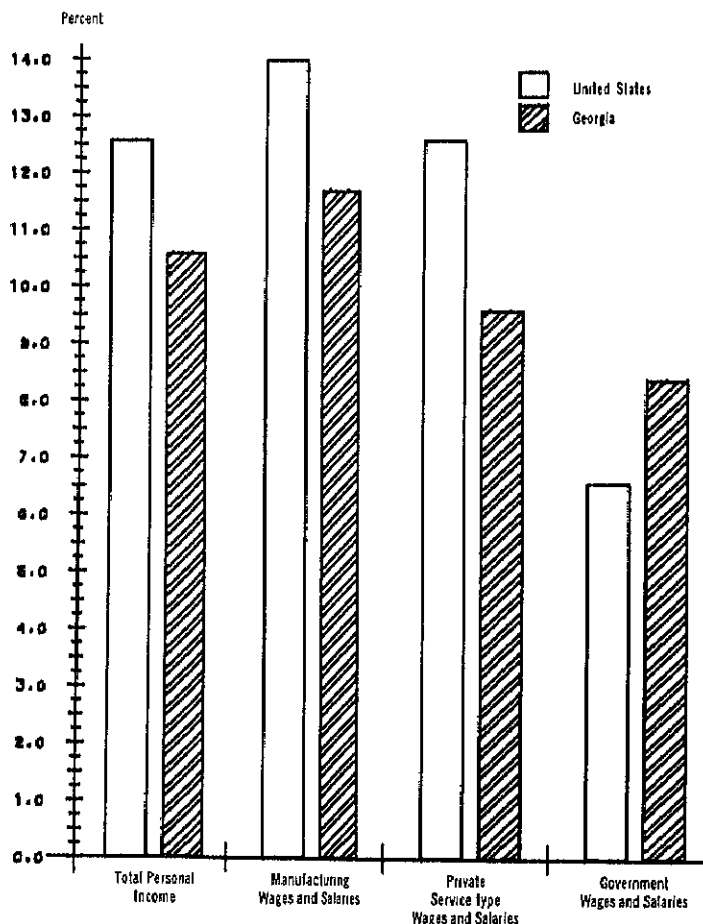


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

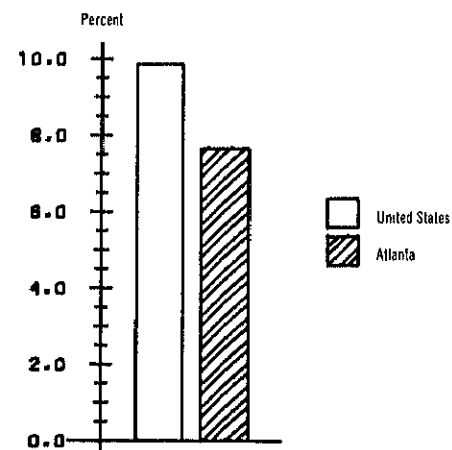


Chart 3.—Total Personal Income
[Seasonally adjusted]

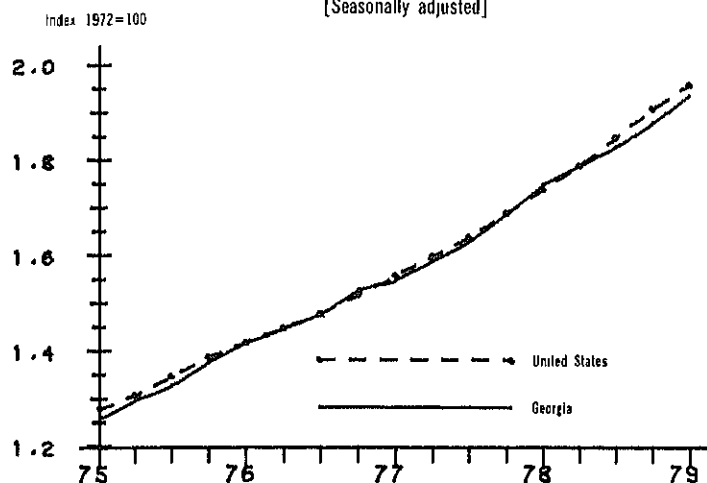


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

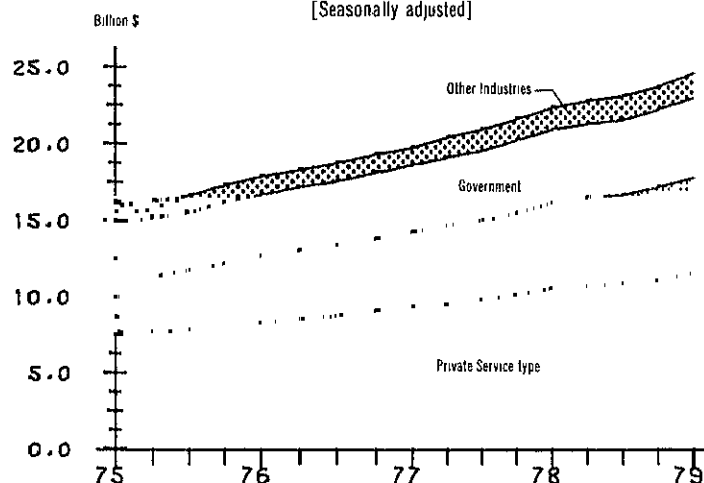


TABLE 2.—Personal Income, United States and Georgia

	United States		Georgia				U.S.	State	U.S.	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979:I	1977 IV— 1978:IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	31,734	32,889	35,323	36,381	12.6	11.3	12.6	10.6
Farm personal income	32,083	40,141	529	759	860	946	26.3	62.7	25.1	24.7
Nonfarm personal income	1,592,582	1,789,374	31,205	32,130	34,463	35,435	12.3	10.4	12.4	10.3
Total personal income	1,624,665	1,829,515	31,734	32,889	35,323	36,381	12.6	11.3	12.6	10.6
Wage and salary disbursements	1,042,716	1,176,598	21,687	22,410	23,832	24,661	12.6	9.9	12.8	10.0
Other labor income	99,957	115,833	1,939	2,039	2,203	2,275	16.4	13.6	15.9	11.6
Proprietors' income	108,808	126,535	1,855	2,123	2,342	2,422	18.9	26.3	16.3	14.1
Farm	24,448	31,221	366	595	679	753	31.3	85.6	27.7	26.6
Nonfarm	84,360	95,314	1,489	1,528	1,663	1,669	15.3	11.7	13.0	9.2
Dividends, interest, and rent	221,191	250,595	3,481	3,587	3,911	4,046	12.8	12.4	13.3	12.8
Transfer payments	219,202	238,794	4,173	4,244	4,588	4,676	8.2	10.0	8.9	10.2
State unemployment insurance benefits	9,997	8,023	145	124	119	107	-30.3	-17.7	-19.7	-13.9
Less personal contributions	66,792	78,351	1,304	1,412	1,458	1,600	15.1	11.9	17.3	13.3
Plus residence adjustment	-417	-489	-96	-103	-95	-99	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	21,687	22,410	23,832	24,661	12.6	9.9	12.8	10.0
Farm	7,215	8,422	159	160	177	188	10.6	11.3	16.7	17.4
Nonfarm	1,035,501	1,168,176	21,528	22,250	23,655	24,473	12.6	9.9	12.8	10.0
Mining	12,013	19,166	91	91	114	116	33.9	24.6	59.5	27.2
Construction	56,564	68,593	1,068	1,108	1,173	1,227	20.1	9.9	21.3	10.7
Manufacturing	285,735	325,636	5,354	5,599	6,119	6,252	13.3	14.3	14.0	11.7
Durable goods	182,321	211,944	2,020	2,111	2,376	2,323	15.2	17.6	16.2	10.0
Nondurable goods	103,414	113,692	3,334	3,488	3,743	3,929	10.0	12.3	9.9	12.6
Private service type	473,132	532,823	10,203	10,621	11,138	11,642	13.1	9.0	12.6	9.6
Transportation, communication, and public utilities	79,598	88,755	1,971	2,027	2,111	2,194	11.3	7.1	11.5	8.3
Wholesale and retail trade	177,331	201,608	4,219	4,430	4,630	4,900	14.1	9.8	13.7	10.6
Finance, insurance, and real estate	55,930	63,373	1,152	1,186	1,266	1,328	13.2	9.9	13.3	12.0
Services	160,273	179,087	2,860	2,978	3,110	3,219	12.7	8.7	11.7	8.1
Government	204,558	218,008	4,749	4,761	5,060	5,160	6.9	6.6	6.6	8.4
Federal	68,698	73,916	2,061	2,030	2,148	2,209	7.1	4.2	7.6	8.8
State and local	135,860	144,092	2,687	2,731	2,912	2,950	6.8	8.4	6.1	8.0
Other	3,499	3,950	64	69	72	76	14.6	11.8	12.9	10.2

1 Detail may not add to totals because of rounding.
2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Georgia¹

	United States		Georgia				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978 I— 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Atlanta	---	---	184.5	188.2	198.8	202.7	---	7.8	---	7.7

1 Consumer Price indexes are shown for the most relevant SMSA(s) for which data are available.
2 Average for 85 representative urban areas based on the 1970 Census of Population
Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Georgia's civilian labor force increased 2.6 percent versus 3.2 percent nationally (table 4). Total employment increased 2.6 percent (to 2.3 million) versus 3.8 percent nationally.

With the labor force increasing by 60,000 and employment increasing by 56,000, the number of unemployed increased by 4,000, to 137,000. The State's unemployment rate was unchanged, at 5.9 percent of the labor force in 1979:I, compared with a 6.3-percent national average rate.

Among Georgia's major metropolitan areas, preliminary unemployment rates for March 1979, when the State's rate was 5.3 percent, ranged from 7.2 percent in Columbus to 4.9 percent in Atlanta. Atlanta accounted for about two-fifths of the State's total labor force in March 1979.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Georgia

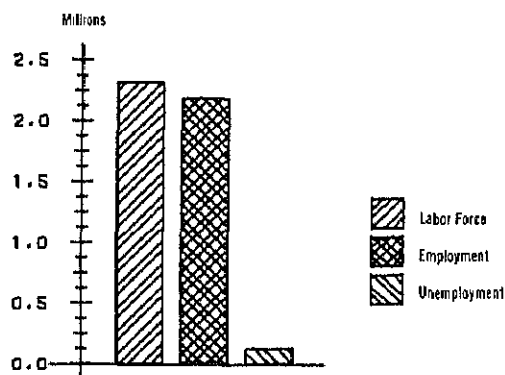


Chart 6.—Unemployment Rates, 1978:I—1979:I

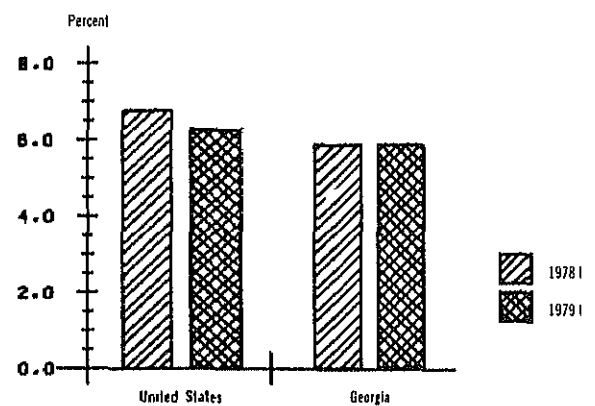


TABLE 4.—Labor Force, United States and Georgia

	United States		Georgia				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,966	1,961	2,019	2,011	4.2	2.7	2.9	2.6
Mining	730	896	7	7	8	8	14.4	5.5	22.7	6.9
Construction	3,784	3,973	97	92	100	96	11.2	3.3	5.0	4.4
Manufacturing	20,064	20,652	501	505	516	514	3.6	2.9	2.9	1.7
Transportation, communication, and public utilities	4,779	4,943	123	124	128	127	4.4	4.4	3.4	3.0
Wholesale and retail trade	18,937	19,549	462	451	468	462	4.5	1.1	3.2	2.4
Finance, insurance, and real estate	4,601	4,790	100	101	103	104	5.2	2.5	4.1	3.5
Services	15,758	16,149	290	292	300	300	4.4	3.5	2.5	2.8
Government	15,435	15,648	385	389	397	400	1.4	3.0	1.4	2.8
Civilian labor force ³	98,106	101,260	2,289	2,269	2,330	2,329	3.1	1.8	3.2	2.6
Total employed	91,401	94,901	2,141	2,136	2,204	2,192	3.9	2.9	3.8	2.6
Total unemployed	6,705	6,360	148	133	126	137	-8.8	-14.7	-5.1	2.7
Percent unemployed	6.8	6.3	6.5	5.9	5.4	5.9				

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

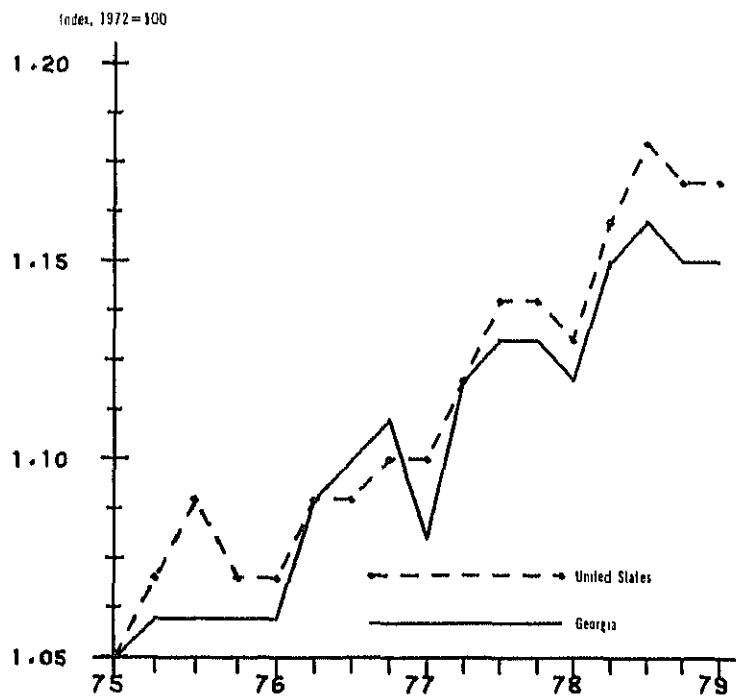


Chart 8.—Civilian Employment

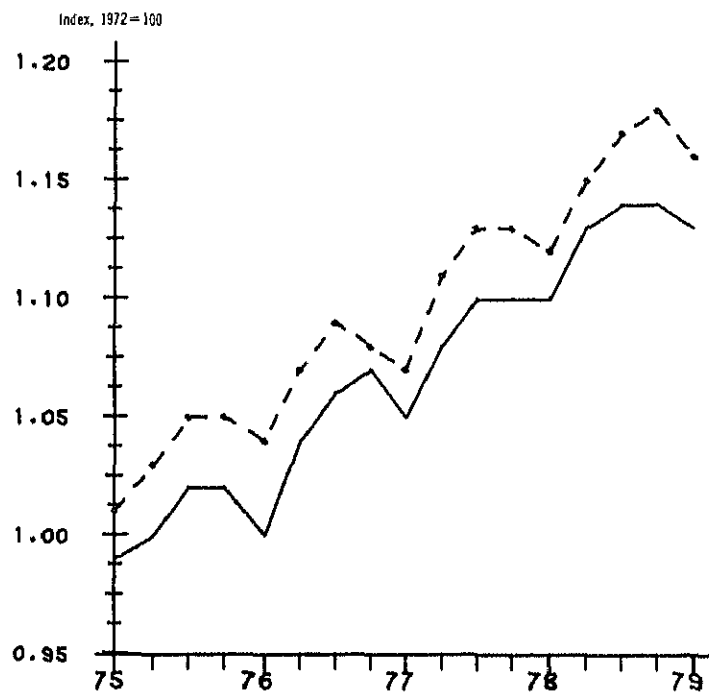


Chart 9.—Unemployment Rate

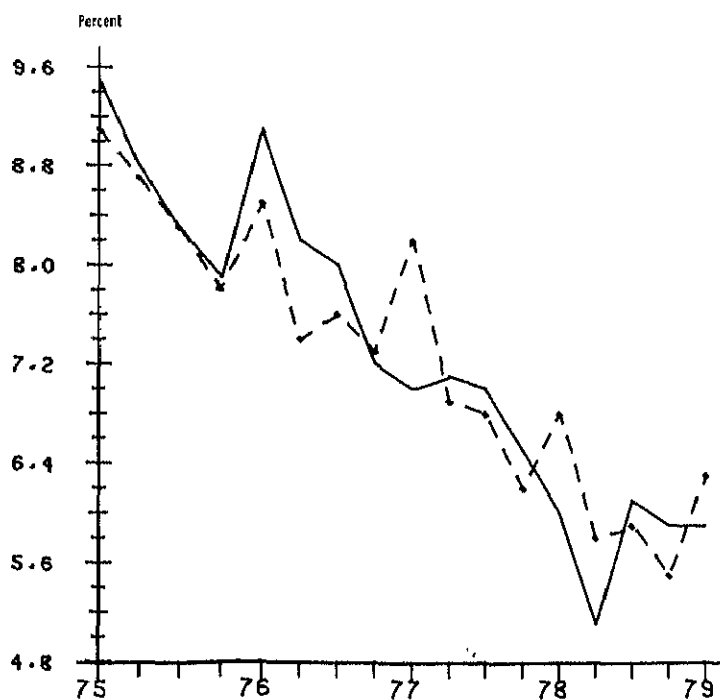
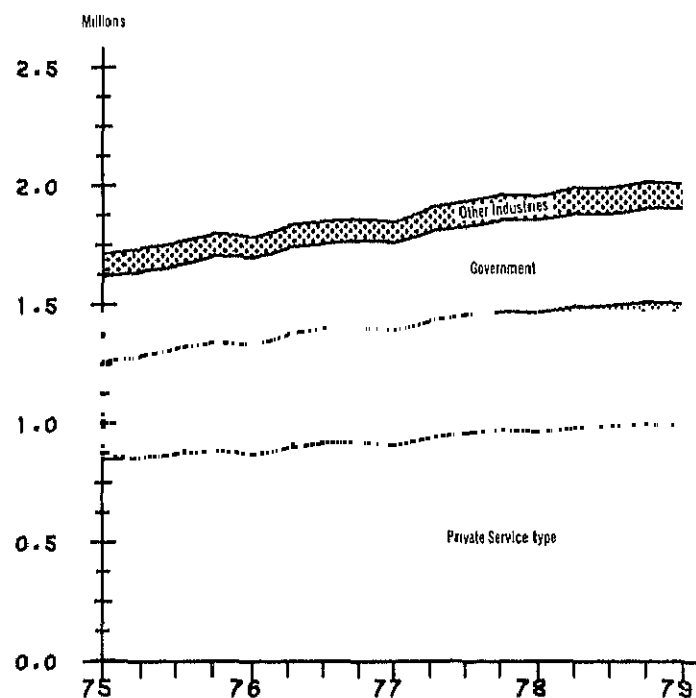


Chart 10.—Industrial Composition of Nonagricultural Employment: Georgia



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Georgia

	United States		Georgia				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV		1978 I-- 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	10,132	10,191	11,074	n.a.	15.6	9.3	---	---
Commercial and industrial	202,241	n.a.	2,745	2,804	2,935	n.a.	13.3	6.9	---	---
Loans to individuals	143,356	n.a.	3,497	3,541	3,979	n.a.	18.7	13.8	---	---
Real estate	183,599	n.a.	2,936	2,976	3,189	n.a.	19.6	8.6	---	---
Residential	104,830	n.a.	1,271	1,313	1,484	n.a.	22.1	16.8	---	---
Farms	7,919	n.a.	333	331	348	n.a.	9.6	4.5	---	---
Other	70,851	n.a.	1,332	1,332	1,357	n.a.	17.0	1.9	---	---
Farms excluding real estate	25,440	n.a.	303	282	312	n.a.	9.5	3.0	---	---
Other	64,581	n.a.	651	587	659	n.a.	7.9	1.2	---	---
Total deposits	911,772	n.a.	14,583	14,462	16,141	n.a.	9.3	10.7	---	---
Demand	344,245	n.a.	7,105	6,717	7,941	n.a.	5.6	11.8	---	---
Time and savings	567,527	n.a.	7,478	7,745	8,200	n.a.	11.9	9.7	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 9.3 percent (\$942 million) in Georgia from 1977:IV to 1978:IV versus 15.6 percent nationally (table 5). Only Nebraska and Alaska registered smaller increases. In 1978:IV, bank loans totaled \$11.1 billion in the State. Georgia's 6.9 percent increase in commercial and industrial loans exceeded only the 3.6-percent increase in South Carolina; the national increase was 13.3 percent. Similarly, the 8.6-percent increase in the State in real estate loans ranked 49th (ahead of Alaska); the national increase was 19.6 percent. Both residential and

farm real estate loans were weak. Loans to individuals increased 13.8 percent from year to year in the State, 4.9 percentage points less than nationally.

Total deposits increased 10.7 percent (\$1.6 billion) in Georgia from 1977:IV to 1978:IV versus 9.3 percent nationally. In 1978:IV, bank deposits totaled \$16.1 billion in the State. Demand deposits increased 11.8 percent from year to year, one of the largest increases among all States and twice the national increase. In contrast, time and savings deposits increased 9.7 percent in Georgia, 2.2 percentage points less than nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts declined 3.9 percent (\$35.6 million), to \$877.4 million (table 6). Georgia's decline was one of the largest in the Nation and compared unfavorably with a national increase of 19.8 percent. National construction costs increased about 14 percent during the same timespan, and if this national increase is representative of the cost increase throughout the State, the total valuation of contracts in Georgia sustained a real decline of about 18 percent versus a real increase throughout the Nation of about 6 percent.

Nonresidential contracts declined 43.6 percent (\$123.3 million) in valuation, compared with a national increase of 28.0 percent. Georgia's decline was exceeded only by a 50.6-percent decline in South Dakota.

Residential housekeeping contracts increased 5.4 percent (\$20.7 million) in valuation, compared with an 11.8-percent national increase. In contrast, the number of dwelling units started in the State declined 1.1 percent (123 units), to 11,265, compared with a national increase of 2.6 percent. The valuation of contracts for additions and alterations to residential housekeeping units increased 26.1 percent (\$33.8 million) versus 17.9 percent nationally.

Nonbuilding contracts increased 25.5 percent (\$28.1 million) in valuation versus 23.7 percent nationally. Street and highway contracts, a major component of nonbuilding contracts, increased 18.5 percent in valuation, compared with a 61.2-percent national increase.

Chart 14.—Construction Contracts—Total Valuation

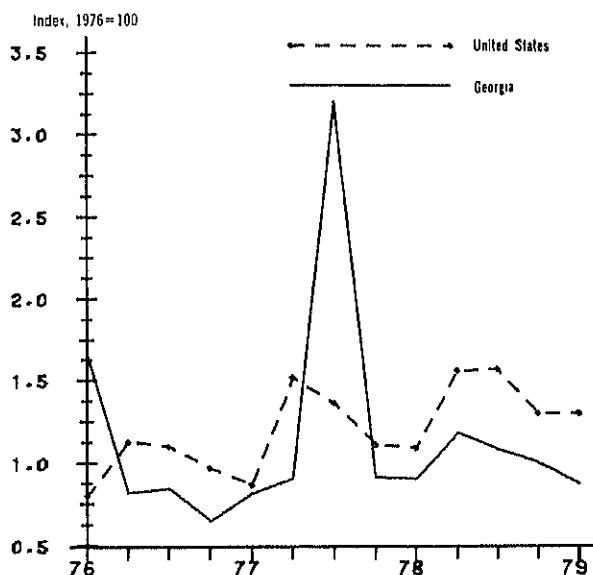


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Georgia

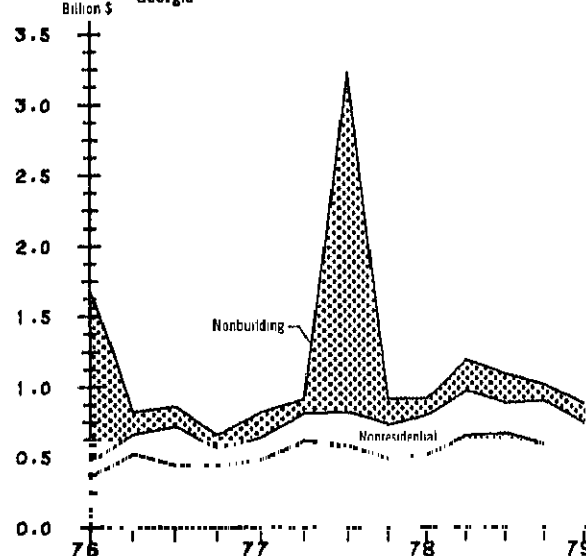


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

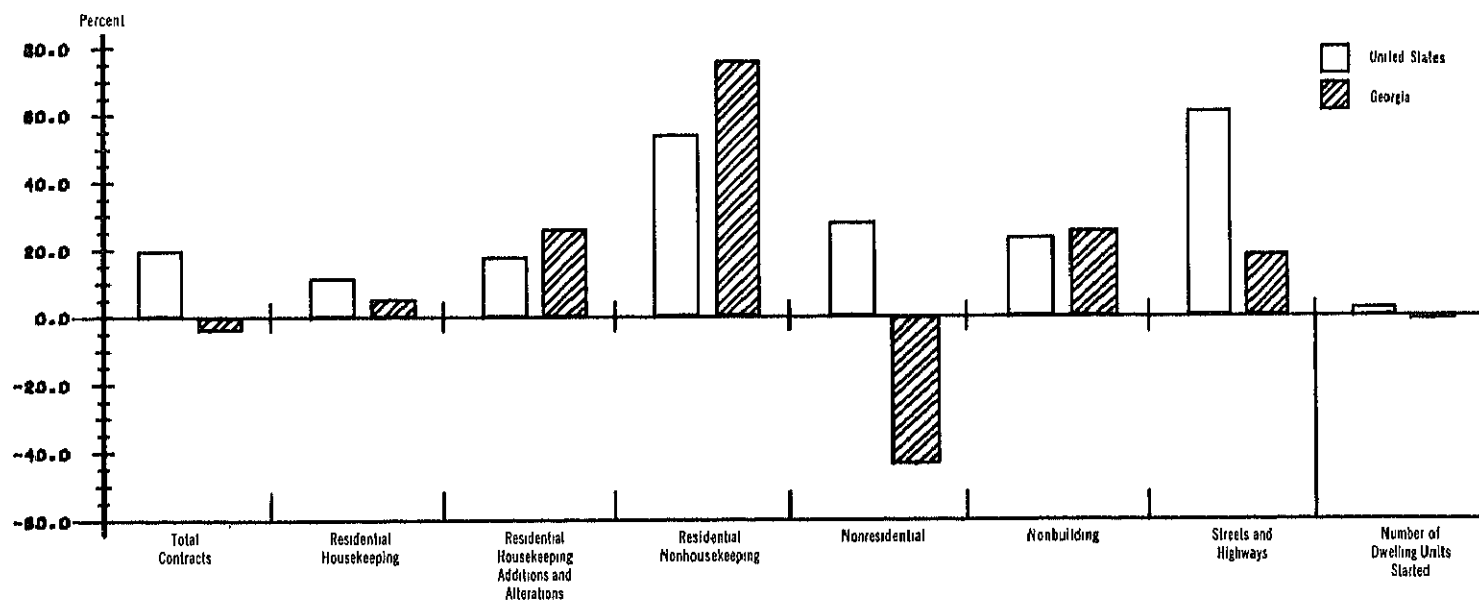


TABLE 6.—Construction Contracts, United States and Georgia¹

	United States		Georgia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV- 1978 IV		1978 I- 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	915,405	912,989	1,008,832	877,435	16.8	10.2	19.8	-3.9
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	153,819	129,561	196,563	163,315	14.6	27.8	17.9	26.1
All other contracts										
Number of contracts	53,028	53,454	1,810	1,835	1,576	1,557	-9.3	-12.9	8	-15.1
Valuation (thousands of dollars)	32,202,931	38,675,376	761,586	783,428	812,269	714,120	17.3	6.7	20.1	-8.8
Floor area (thousands of square feet)	807,538	904,811	23,457	27,196	25,615	23,401	10.3	9.2	12.0	-14.0
Residential housekeeping										
Number of contracts	13,592	14,399	536	568	567	554	-4.3	5.8	5.9	-2.5
Number of dwelling units	404,171	414,826	9,963	11,388	11,040	11,265	-2	10.8	2.6	-1.1
Valuation (thousands of dollars)	13,806,696	15,431,523	330,770	383,204	384,126	403,941	15.6	16.1	11.8	5.4
Floor area (thousands of square feet)	546,445	571,860	14,705	17,163	16,595	16,959	10.7	12.8	4.7	-1.2
Residential nonhousekeeping										
Number of contracts	441	464	8	12	18	15	-4	125.0	5.2	25.0
Valuation (thousands of dollars)	327,201	504,158	1,660	6,777	6,667	11,913	54.9	301.6	54.1	75.8
Floor area (thousands of square feet)	8,179	11,483	16	126	168	341	34.7	928.2	40.4	169.5
Nonresidential										
Number of contracts	25,282	23,514	767	779	715	624	-12.0	-6.8	-7.0	-19.9
Valuation (thousands of dollars)	9,056,146	11,595,243	247,024	283,076	315,329	159,790	16.3	27.7	28.0	-43.6
Floor area (thousands of square feet)	252,915	321,468	8,735	9,906	8,852	6,102	8.7	1.3	27.1	-38.4
Nonbuilding										
Number of contracts	13,713	15,077	499	476	276	364	-9.1	-44.7	9.9	-23.5
Valuation (thousands of dollars)	9,012,888	11,144,452	182,132	110,371	106,147	138,476	20.6	-41.7	23.7	25.5
Streets and Highways										
Number of contracts	3,989	4,750	277	233	101	168	-17.8	-63.5	19.1	-27.9
Valuation (thousands of dollars)	1,399,453	2,255,221	92,874	50,601	46,158	59,942	-18.1	-50.3	61.2	18.5

¹ Contracts started or expected to start within 60 days² Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Georgia are not available.

TABLE 7.—Retail Sales, United States and Georgia

	United States		Georgia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

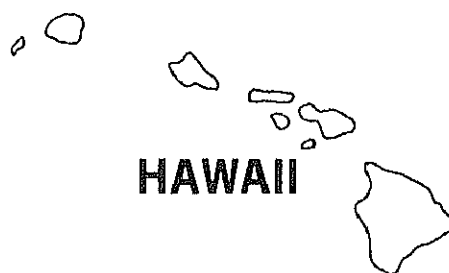
TABLE 8.—Business Incorporations and Failures, United States and Georgia

	United States		Georgia				U.S.	State	U.S.	State
	1978 I	1979 I	1977.IV	1978.I	1978.IV	1979.I	1977.IV— 1978.IV		1978.I— 1979.I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	2,402	2,947	2,958	n.a.	13.2	23.1	---	---
Total number of business failures	1,729	n.a.	21	18	26	n.a.	-4.9	23.8	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	5,561	13,659	9,748	n.a.	13.7	75.3	---	---
Average liability per failure (thousands of dollars)	404	n.a.	265	759	375	n.a.	19.4	41.5	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	2	3	6	n.a.	6.0	200.0	---	---
Construction	279	n.a.	3	5	7	n.a.	-8.2	133.3	---	---
Wholesale trade	205	n.a.	4	2	1	n.a.	-6.3	-75.0	---	---
Retail trade	769	n.a.	9	7	9	n.a.	-4	.0	---	---
Commercial services	205	n.a.	3	1	3	n.a.	-23.5	.0	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 10.4% vs. 12.6% in U.S., to \$7.9 billion —Private service-type payrolls up 9.0% vs. 12.6% in U.S. —State and local government payrolls up 4.9% vs. 6.1% in U.S.
Consumer prices	—Up 10.3% in Honolulu vs. 9.9% in U.S.
Employment	—Up 1.4% vs. 3.8% in U.S., to 371,000
Unemployment	—Down 3,000, to 28,000 —Rate down 0.7 percentage point, to 7.1% of labor force vs. 6.3% in U.S.
Construction	—Total valuation of contracts up 70.9% vs. 19.8% in U.S., to \$261 million —Valuation of street and highway contracts up \$53 million, to \$57 million, due to large contract in 1979:I —Number of dwelling-unit starts up 26.5% vs. 2.6% in U.S., to 1,891

TABLE 1.—Summary of Economic Indicators, United States and Hawaii

	United States		Hawaii				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	7,030	7,177	7,721	7,923	12.6	9.8	12.6	10.4
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	4,745	4,915	5,250	5,397	12.6	10.6	12.8	9.8
Civilian employment (thousands)	91,401	94,901	373	365	367	371	3.9	-1.6	3.8	1.4
Unemployment (thousands)	6,705	6,360	29	31	29	28	-8.8	-3	-5.1	-7.6
Percent unemployed (unemployment/labor force)	6.8	6.3	7.3	7.8	7.4	7.1	---	---	---	---
Total loans (millions of dollars)	619,218	n a	2,090	2,133	2,493	n a	15.6	19.3	---	---
Total deposits (millions of dollars)	911,772	n a	3,201	3,382	3,655	n a	9.3	14.2	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	149,157	152,784	226,781	261,093	16.8	52.0	19.8	70.9
Dwelling units started (number)	404,171	414,826	1,340	1,495	2,788	1,891	-2	108.1	2.6	26.5
Total retail sales (millions of dollars)	167,940	194,529	n a	n a	n a	n a	11.2	---	15.8	---
New business incorporations (number)	115,247	n a	588	673	795	n a	13.2	35.2	---	---
Business failures (number)	1,729	n a	0	3	14	n a	-4.9	---	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Honolulu	---	---	174.9	177.7	190.0	196.0	---	8.6	---	10.3

n a Data not available

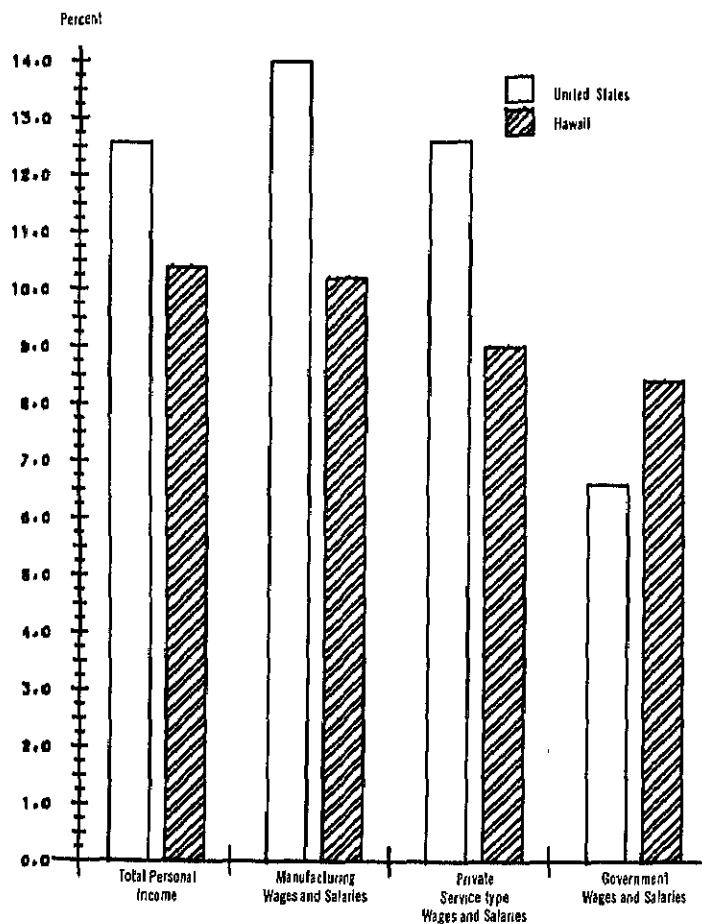
Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Hawaii increased 10.4 percent from 1978:I to 1979:I (table 2). The gain lagged the Nation's 12.6-percent gain and was one of the smallest among all States. In 1979:I, Hawaii's personal income totaled \$7.9 billion, up \$0.7 billion since 1978:I. **Consumer prices** in the Honolulu metropolitan area increased 10.3 percent from year to year versus 9.9 percent nationally (table 3). If the increase in Honolulu is used as an indicator for price increases throughout the islands, real total personal income was virtually unchanged from year to year, compared with a 2.7-percent increase nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 9.8 percent, to \$5.4 billion. The gain lagged the Nation's by 3 percentage points and was smaller in only three States. Payrolls in all major industries increased; most gains were less than those of national counterparts.

Most private service-type industries in Hawaii registered payroll gains that were substantially less than corresponding gains nationally. Services payrolls increased 9.6 percent, more than 2 percentage points below the national average gain, to \$899 million. Trade payrolls increased 7.8 percent, the second smallest gain in the Nation (after Alaska's), to \$859 million. Transportation-communication-public utilities payrolls increased 6.2 percent, far below the Nation's 11.5-percent gain, to \$476 million.

Unusually severe rainstorms in 1979:I slowed construction activity, and the State's construction payrolls increased 19.7 percent, less than the 21.3-percent national average gain. Manufacturing payrolls increased 10.2 percent, almost 4 percentage points below the Nation's gain.

State and local government payrolls increased 4.9 percent, lagging the national gain of 6.1 percent. In contrast, Federal Government payrolls, the State's largest, increased 10.6 percent, exceeding the 7.6-percent national gain.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

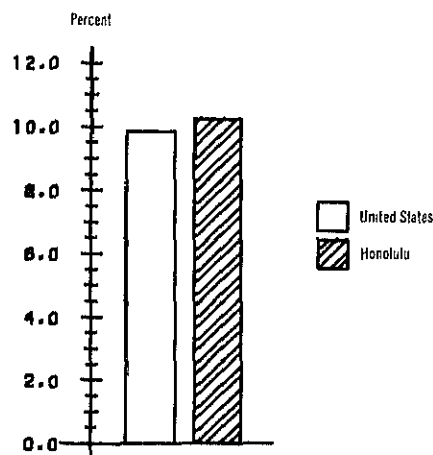


Chart 3.—Total Personal Income
[Seasonally adjusted]

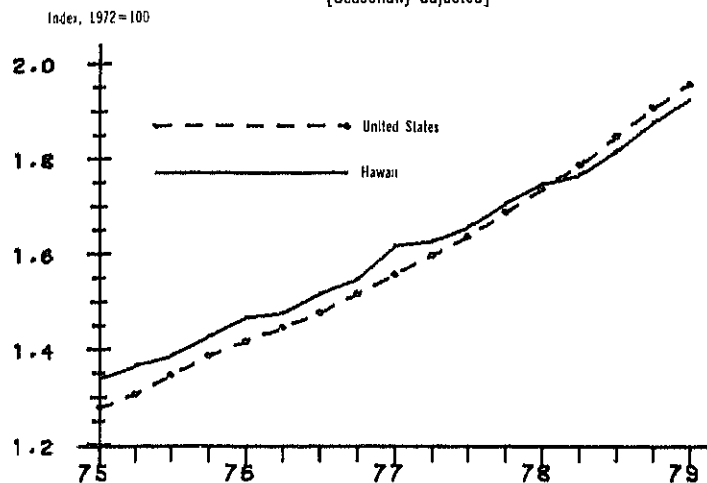


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

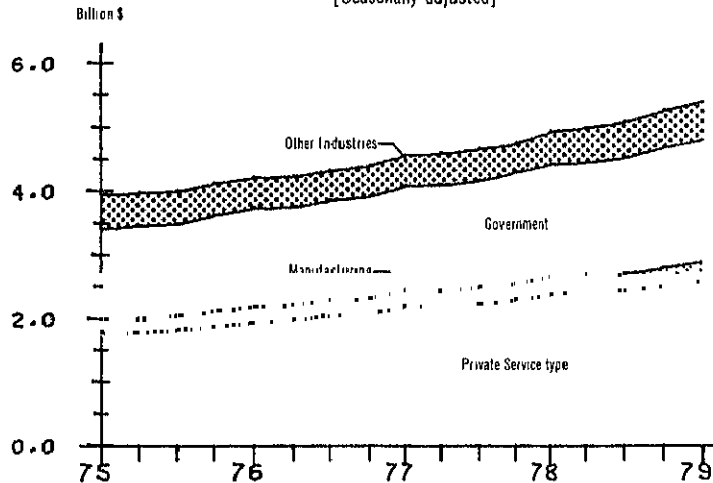


TABLE 2.—Personal Income, United States and Hawaii

	United States		Hawaii				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	7,030	7,177	7,721	7,923	12.6	9.8	12.6	10.4
Farm personal income	32,083	40,141	229	163	175	184	26.3	-23.5	25.1	12.9
Nonfarm personal income	1,592,582	1,789,374	6,801	7,014	7,546	7,739	12.3	11.0	12.4	10.3
Total personal income	1,624,665	1,829,515	7,030	7,177	7,721	7,923	12.6	9.8	12.6	10.4
Wage and salary disbursements	1,042,716	1,176,598	4,745	4,915	5,250	5,397	12.6	10.6	12.8	9.8
Other labor income	99,957	115,833	333	355	381	395	16.4	14.5	15.9	11.3
Proprietors' income	108,808	126,535	341	286	318	319	18.9	-7.0	16.3	11.7
Farm	24,448	31,221	69	4	2	2	31.3	-96.9	27.7	-46.3
Nonfarm	84,360	95,314	272	282	315	317	15.3	15.9	13.0	12.5
Dividends, interest, and rent	221,191	250,595	1,007	1,039	1,142	1,184	12.8	13.4	13.3	13.9
Transfer payments	219,202	238,794	896	903	962	992	8.2	7.3	8.9	9.9
State unemployment insurance benefits	9,997	8,023	62	47	28	36	-30.3	-54.5	-19.7	-24.5
Less personal contributions	66,792	78,351	293	320	331	363	15.1	13.0	17.3	13.4
Plus residence adjustment	-417	-489	0	0	0	0	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	4,745	4,915	5,250	5,397	12.6	10.6	12.8	9.8
Farm	7,215	8,422	144	144	156	165	10.6	8.3	16.7	14.2
Nonfarm	1,035,501	1,168,176	4,601	4,771	5,094	5,232	12.6	10.7	12.8	9.7
Mining	12,013	19,166	0	0	0	0	33.9	---	59.5	---
Construction	56,564	68,593	291	345	393	413	20.1	35.1	21.3	19.7
Manufacturing	285,735	325,636	250	282	293	311	13.3	17.1	14.0	10.2
Durable goods	182,321	211,944	64	68	75	78	15.2	16.5	16.2	14.7
Nondurable goods	103,414	113,692	186	214	218	232	10.0	17.3	9.9	8.7
Private service type	473,132	532,823	2,303	2,368	2,502	2,583	13.1	8.7	12.6	9.0
Transportation, communication, and public utilities	79,598	88,755	406	449	462	476	11.3	13.7	11.5	6.2
Wholesale and retail trade	177,331	201,608	765	797	835	859	14.1	9.1	13.7	7.8
Finance, insurance, and real estate	55,930	63,373	298	303	342	348	13.2	14.5	13.3	14.9
Services	160,273	179,087	833	820	864	899	12.7	3.7	11.7	9.6
Government	204,558	218,008	1,737	1,752	1,882	1,899	6.9	8.4	6.6	8.4
Federal	68,698	73,916	1,061	1,075	1,159	1,189	7.1	9.3	7.6	10.6
State and local	135,860	144,092	676	677	723	710	6.8	6.9	6.1	4.9
Other	3,499	3,950	21	23	24	26	14.6	16.6	12.9	14.8

1 Detail may not add to totals because of rounding.

2 Based on unrounded data

Source U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Hawaii¹

	United States		Hawaii				U S	State	U S	State
	1978:I	1979 I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978 IV	1978 I— 1979:I		
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ² ..	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Honolulu ..	---	---	174.9	177.7	190.0	196.0	---	8.6	---	10.3

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978 I to 1979 I, Hawaii's civilian labor force increased 0.7 percent compared with 3.2 percent nationally (table 4). Only Illinois and the District of Columbia registered smaller advances than Hawaii's. Total employment in Hawaii increased 1.4 percent. The increase was lower only in Iowa and was almost 2.5 percentage points below the Nation's advance.

With employment increasing by 6,000 and the labor force increasing by 3,000, the number of unemployed declined by 3,000. Hawaii's

unemployment rate declined 0.7 percentage point, to 7.1 percent of the labor force in 1979:I. The Nation's unemployment rate declined one-half of a percentage point, to 6.3 percent.

Across the islands, unemployment rates varied somewhat. According to preliminary data for March 1979, the unemployment rate was 6.2 percent for Oahu and 6.9 percent for the other islands. The preliminary State rate was 6.4 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Hawaii

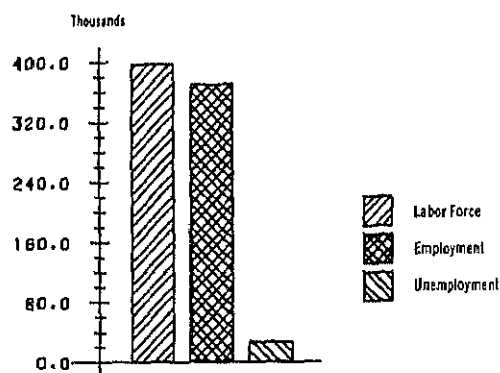


Chart 6.—Unemployment Rates, 1978:I—1979:I

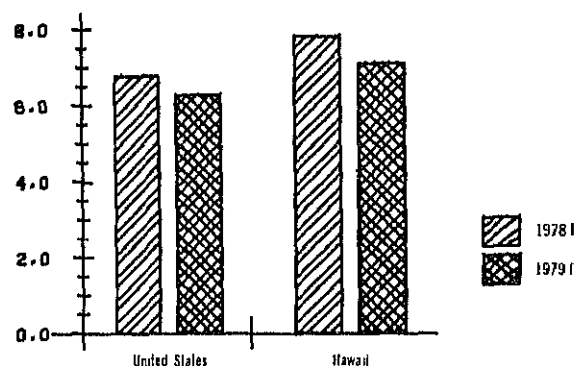


TABLE 4.—Labor Force, United States and Hawaii

	United States		Hawaii				U S	State	U S	State
	1978 I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978 I— 1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	359	367	377	377	4.2	4.9	2.9	2.9
Mining and services	16,488	17,045	86	88	91	92	4.9	6.3	3.4	4.9
Construction	3,784	3,973	18	19	21	22	11.2	17.8	5.0	12.4
Manufacturing	20,064	20,652	21	23	23	23	3.6	10.2	2.9	3.1
Transportation, communication, and public utilities	4,779	4,943	28	28	29	29	4.4	.7	3.4	2.1
Wholesale and retail trade	18,937	19,549	94	96	97	96	4.5	2.6	3.2	.6
Finance, insurance, and real estate	4,601	4,790	27	28	29	29	5.2	9.0	4.1	3.9
Government	15,435	15,648	86	86	88	86	1.4	2.1	1.4	1.1
Civilian labor force ³	98,106	101,260	402	396	396	399	3.1	-1.5	3.2	.7
Total employed	91,401	94,901	373	365	367	371	3.9	-1.6	3.8	1.4
Total unemployed	6,705	6,360	29	31	29	28	-8.8	-3	-5.1	-7.6
Percent unemployed	6.8	6.3	7.3	7.8	7.4	7.1				

¹ Detail may not add to totals because of rounding

² Based on unrounded data

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

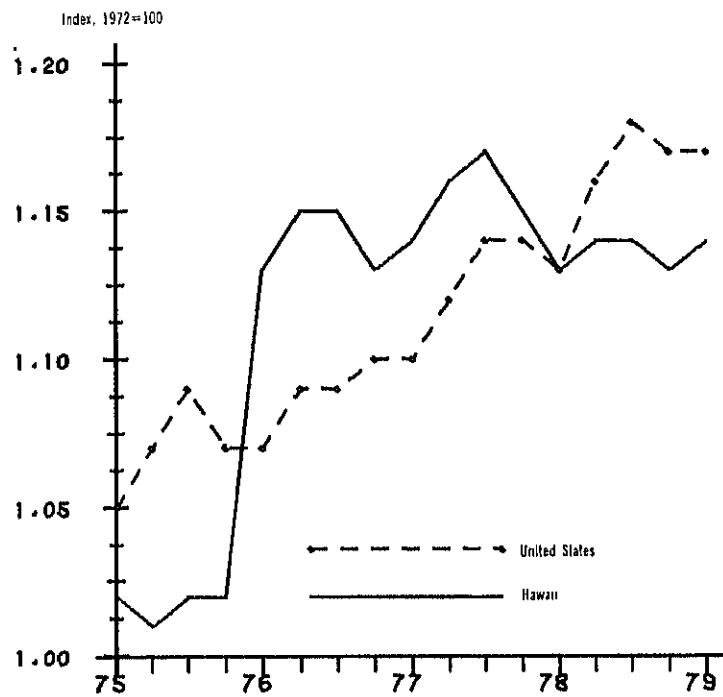


Chart 8.—Civilian Employment

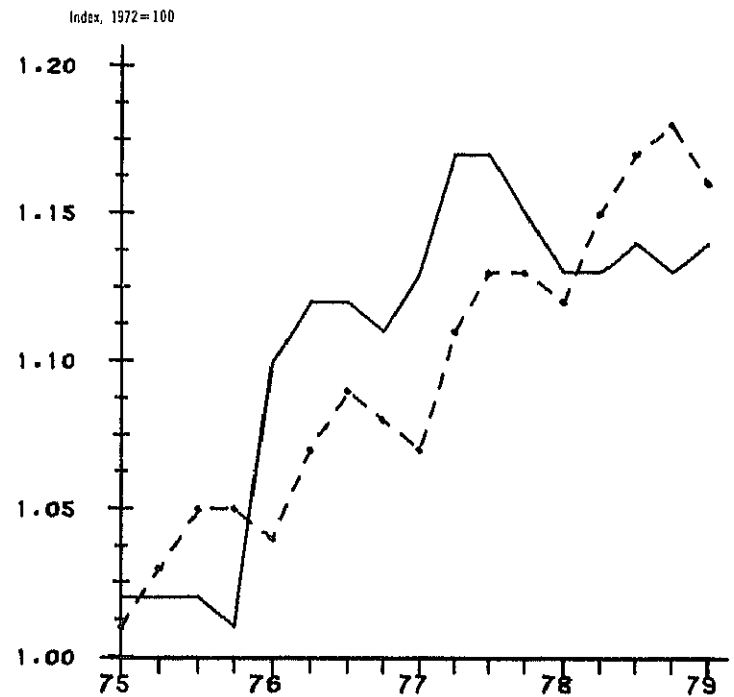


Chart 9.—Unemployment Rate

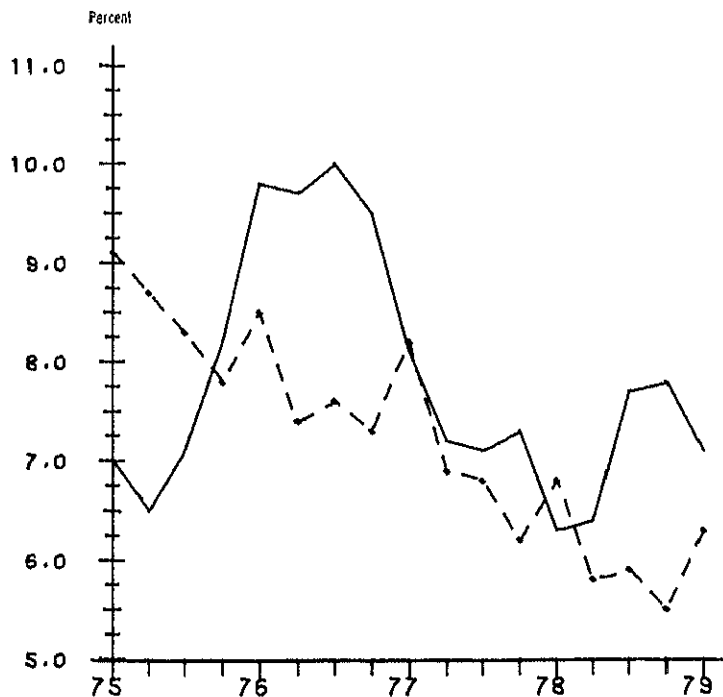
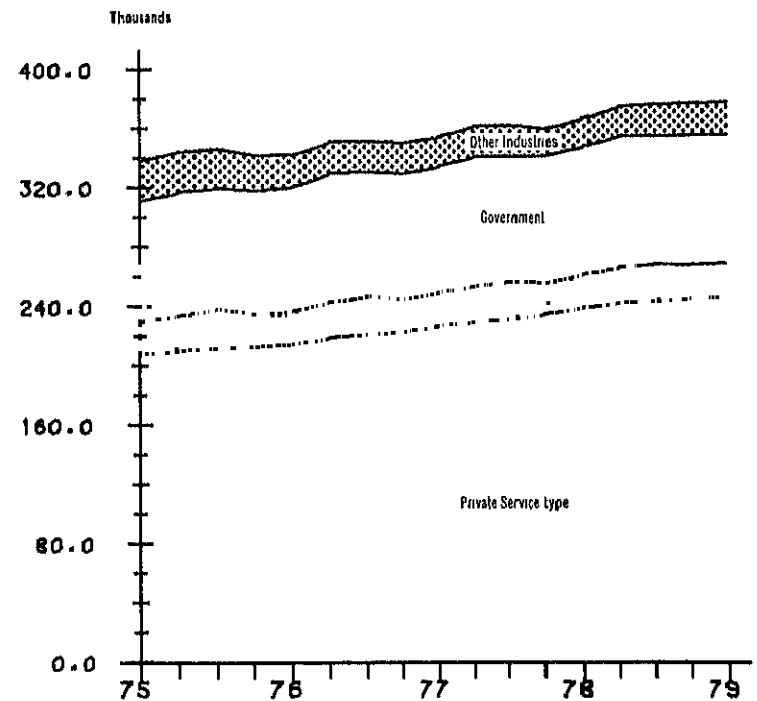


Chart 10.—Industrial Composition of Nonagricultural Employment: Hawaii



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I—1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Hawaii

	United States		Hawaii				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	2,090	2,133	2,493	n.a.	15.6	19.3	---	---
Commercial and industrial	202,241	n.a.	473	484	571	n.a.	13.3	20.9	---	---
Loans to individuals	143,356	n.a.	473	488	585	n.a.	18.7	23.6	---	---
Real estate	183,599	n.a.	992	1,013	1,150	n.a.	19.6	15.9	---	---
Residential	104,830	n.a.	664	677	807	n.a.	22.1	21.5	---	---
Farms	7,919	n.a.	6	6	7	n.a.	9.6	9.8	---	---
Other	70,851	n.a.	322	329	336	n.a.	17.0	4.4	---	---
Farms, excluding real estate	25,440	n.a.	15	14	16	n.a.	9.5	6.7	---	---
Other	64,581	n.a.	137	135	170	n.a.	7.9	24.5	---	---
Total deposits	911,772	n.a.	3,201	3,382	3,655	n.a.	9.3	14.2	---	---
Demand	344,245	n.a.	1,204	1,197	1,379	n.a.	5.6	14.5	---	---
Time and savings	567,527	n.a.	1,997	2,186	2,276	n.a.	11.9	14.0	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV—1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans rose 19.3 percent in Hawaii from 1977:IV to 1978:IV, outpacing the national increase of 15.6 percent and ranking among the largest State increases (table 5). Loans to individuals rose 23.6 percent, almost 5.0 percentage points more than nationally, to \$585 million. Commercial and industrial loans rose 20.9 percent, an increase that was exceeded in only three States, to \$571 million. Residential real estate

loans, the State's largest loan market, registered a 21.5-percent increase, marginally lagging the Nation's increase of 22.1 percent, to \$807 million.

Total deposits rose 14.2 percent, outpacing the national increase of 9.3 percent. Demand deposits rose 14.5 percent, far exceeding the Nation's 5.6-percent increase and ranking third among all State increases, to \$1.4 billion. Time and savings deposits rose 14.0 percent versus 11.9 percent nationally, to \$2.3 billion.

Construction

The total valuation of contracts in Hawaii rose 70.9 percent from 1978:I to 1979:I, far exceeding the Nation's 19.8-percent gain and ranking sixth among all State gains (table 6). Part of the year-to-year gain was due to the makeup from the effects of an ironworkers' strike, which dampened contract activity in 1978:I. In 1979:I, the total valuation of contracts reached \$261 million, up \$108 million from a year previous. National construction costs rose about 14 percent during this timespan.

The valuation of street and highway contracts, a major component of nonbuilding contracts, rose from \$3.9 million in 1978:I to \$56.5 million in 1979:I; this represented one of the largest percentage gains in the Nation, far outpacing the national average 61.2-percent gain. A \$24.1 million contract in 1979:I for the construction of roadways in Honolulu County was partly responsible for the sharp gain. The year-to-year gain in the valuation of street and highway contracts (\$52.6 million) accounted for almost one-half of the State's gain in the total valuation of construction contracts.

Large contracts for the construction of one-family houses in Honolulu in 1979:I helped to increase the valuation of residential housekeeping contracts by one-half, to \$85 million. Hawaii's percentage gain, which was exceeded in only five States, far outpaced the Nation's gain of 11.8 percent. The number of dwelling units started in the State rose by over one-fourth, from 1,500 in 1978:I to 1,900 in 1979:I. Nationally, the number of dwelling units started rose only 2.6 percent. In contrast, the valuation of contracts for additions and alterations to residential housekeeping units declined 11.7 percent, the largest decline among all States, to \$19.2 million.

Residential nonhousekeeping contracts rose \$10.4 million in valuation, to \$13.5 million. The valuation of nonresidential contracts rose 46.2 percent, far exceeding the 28.0-percent national gain, to \$58.1 million.

Chart 14.—Construction Contracts—Total Valuation

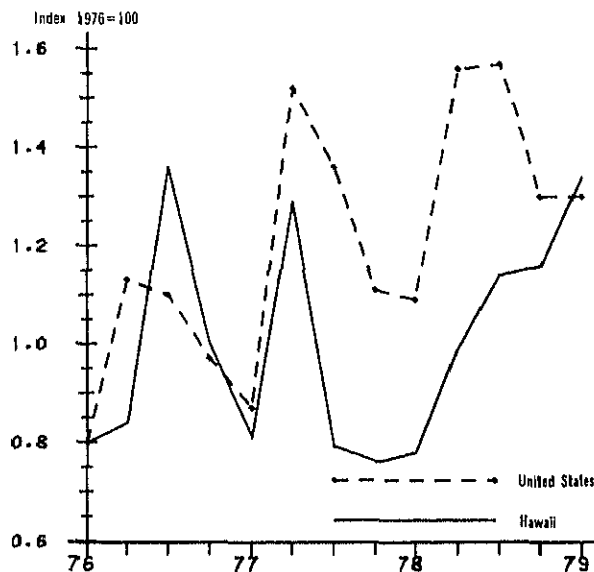


Chart 15.—Construction Contracts—Valuation of Contracts by Type:

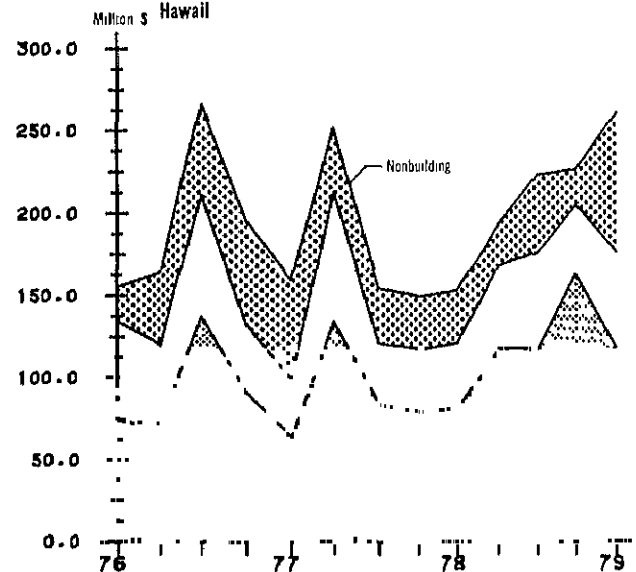


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

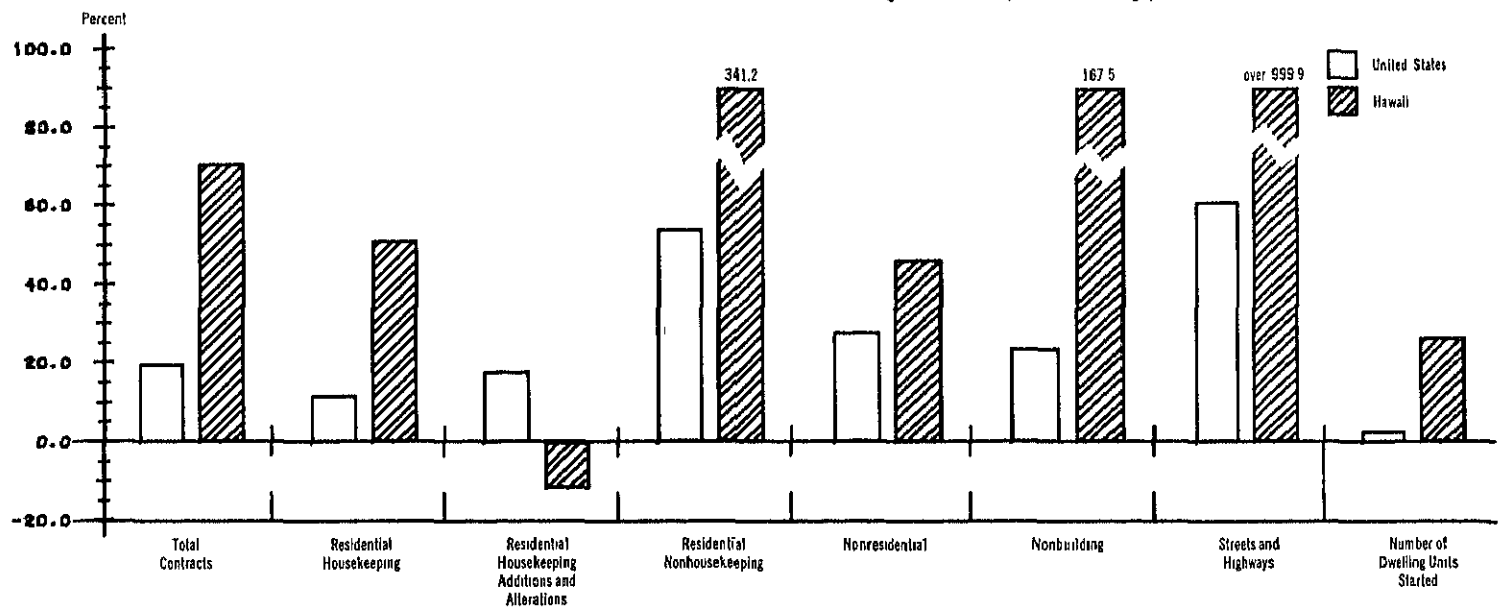


TABLE 6.—Construction Contracts, United States and Hawaii¹

	United States		Hawaii				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	149,157	152,784	226,781	261,093	16.8	52.0	19.8	70.9
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	28,304	21,770	36,392	19,215	14.6	28.6	17.9	-11.7
All other contracts										
Number of contracts	53,028	53,454	343	256	229	256	-9.3	-33.2	8	0
Valuation (thousands of dollars)	32,202,931	38,675,376	120,853	131,014	190,389	241,878	17.3	57.5	20.1	84.6
Floor area (thousands of square feet)	807,538	904,811	2,561	3,403	5,028	4,641	10.3	96.4	12.0	36.4
Residential housekeeping										
Number of contracts	13,592	14,399	27	23	27	30	-4.3	0	5.9	30.4
Number of dwelling units	404,171	414,826	1,340	1,495	2,788	1,891	-2	108.1	2.6	26.5
Valuation (thousands of dollars)	13,806,696	15,431,523	49,641	56,471	125,491	85,362	15.6	152.8	11.8	51.2
Floor area (thousands of square feet)	546,445	571,860	1,453	1,765	3,956	2,644	10.7	172.3	4.7	49.8
Residential nonhousekeeping										
Number of contracts	441	464	4	6	5	7	-4	25.0	5.2	16.7
Valuation (thousands of dollars)	327,201	504,158	944	3,050	1,336	13,457	54.9	41.5	54.1	341.2
Floor area (thousands of square feet)	8,179	11,483	5	37	31	17	34.7	568.1	40.4	-54.2
Nonresidential										
Number of contracts	25,282	23,514	175	124	92	120	-12.0	-47.4	-7.0	-3.2
Valuation (thousands of dollars)	9,056,146	11,595,243	38,082	39,741	41,763	58,110	16.3	9.7	28.0	46.2
Floor area (thousands of square feet)	252,915	321,468	1,103	1,601	1,041	1,980	8.7	-5.7	27.1	23.6
Nonbuilding										
Number of contracts	13,713	15,077	137	103	105	99	-9.1	-23.4	9.9	-3.9
Valuation (thousands of dollars)	9,012,888	11,144,452	32,186	31,752	21,799	84,949	20.6	-32.3	23.7	167.5
Streets and Highways										
Number of contracts	3,989	4,750	27	9	27	17	-17.8	0	19.1	88.9
Valuation (thousands of dollars)	1,399,453	2,255,221	7,312	3,850	9,642	56,532	-18.1	31.9	61.2	***

***Percent change greater than 999.9

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Hawaii are not available.

TABLE 7.—Retail Sales, United States and Hawaii

	United States		Hawaii				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Hawaii

	United States		Hawaii				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	588	673	795	n.a.	13.2	35.2	---	---
Total number of business failures	1,729	n.a.	0	3	14	n.a.	-4.9	---	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	0	868	2,922	n.a.	13.7	---	---	---
Average liability per failure (thousands of dollars)	404	n.a.	0	289	209	n.a.	19.4	---	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	1	0	1	n.a.	6.0	0	---	---
Construction	279	n.a.	0	1	2	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	0	0	1	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	0	2	6	n.a.	-4	---	---	---
Commercial services	205	n.a.	0	0	4	n.a.	-23.5	---	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 16.7% vs. 12.6% in U.S., to \$6.6 billion
- Farm personal income up 72.4% vs. 25.1% in U.S.
- Payrolls up 11.7% in government vs. 6.6% increase in U.S.

Employment

- Up 3.3% vs. 3.8% in U.S., to 370,000

Unemployment

- Up 7,000 to 33,000
- Rate up to 8.1% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up only 1.9% vs. 19.8% in U.S., to \$153.3 million
- Valuation of nonresidential contracts down 24.2% vs. 28.0% increase in U.S.
- Number of dwelling-unit starts up 1.8% vs. 2.6% in U.S., to 2,319

TABLE 1.—Summary of Economic Indicators, United States and Idaho

	United States		Idaho				U S	State	U S	State
	1978 I	1979:I	1977:IV	1978:I	1978:IV	1979 I	1977:IV— 1978 IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	5,452	5,630	6,385	6,570	12.6	17.1	12.6	16.7
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	3,414	3,522	3,863	4,041	12.6	13.2	12.8	14.7
Civilian employment (thousands)	91,401	94,901	373	358	387	370	3.9	3.7	3.8	3.3
Unemployment (thousands)	6,705	6,360	20	25	22	33	-8.8	14.3	-5.1	27.9
Percent unemployed (unemployment/labor force)	6.8	6.3	5.0	6.6	5.5	8.1	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	2,357	2,409	2,617	n.a.	15.6	11.0	---	---
Total deposits (millions of dollars)	911,772	n.a.	3,288	3,301	3,602	n.a.	9.3	9.5	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	205,767	150,436	242,098	153,301	16.8	17.7	19.8	1.9
Dwelling units started (number)	404,171	414,826	2,844	2,277	2,421	2,319	-.2	-14.9	2.6	1.8
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	382	500	436	n.a.	13.2	14.1	---	---
Business failures (number)	1,729	n.a.	3	7	7	n.a.	-4.9	133.3	---	---
Consumer Price Index (1967=100). U S city average..	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n.a. Data not available

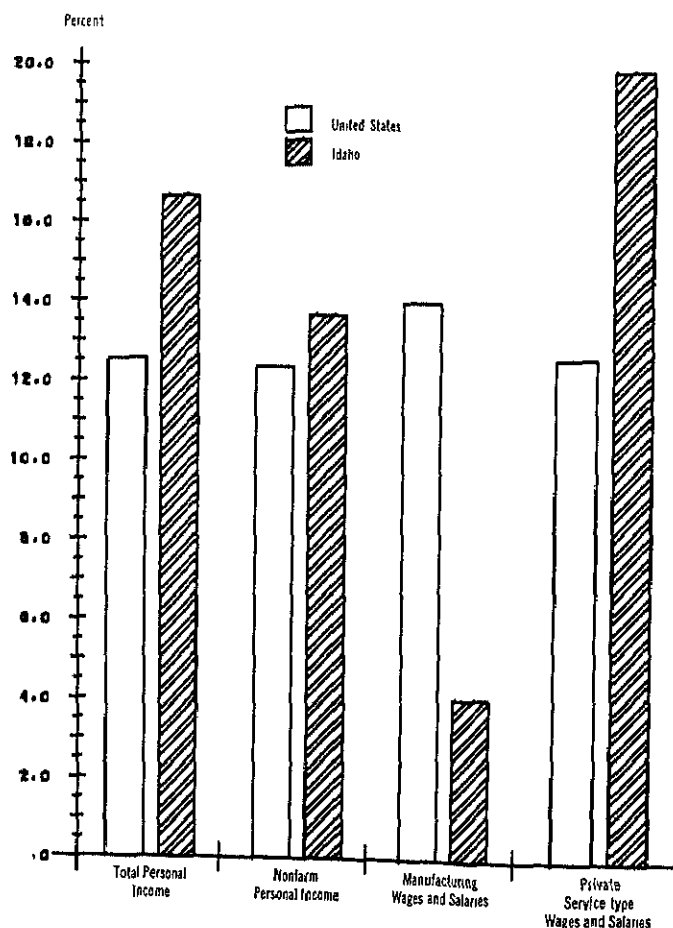
Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Idaho increased 16.7 percent from 1978:I to 1979:I, compared with a 12.6-percent national increase (table 2). The State's percentage increase, ranking fifth in the Nation, brought personal income to a total of \$6.6 billion, up \$940 million since 1978:I. Both farm and nonfarm personal income increased at rates that exceeded the national average. In particular, farm income increased 72.4 percent (ranking sixth among all State increases) versus 25.1 percent nationally, and nonfarm income increased 13.7 percent (ranking 10th) versus 12.4 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
(Seasonally adjusted)



Wage and salary disbursements (payrolls) in Idaho increased 14.7 percent from year to year, compared with 12.8 percent in the Nation. In 1979:I, the State's payrolls totaled \$4.0 billion, up \$519 million since 1978:I. Increases in government and private service-type industry payrolls accounted for the State's above-average increase in total payrolls. Federal Government payrolls increased 14.8 percent, more than in any other State and twice the national increase; State and local government payrolls increased 9.8 percent versus 6.1 percent nationally.

The payroll increase in each private service-type industry in Idaho ranked fourth or higher among all State increases. Services payrolls increased 17.8 percent (ranking first among all State increases) versus 11.7 percent nationally, and finance-insurance-real estate payrolls increased 24.6 percent (ranking second) versus 13.3 percent nationally. Trade payrolls increased 20.0 percent (ranking third) versus 13.7 percent nationally, and transportation-communication-public utilities payrolls increased 20.3 percent (ranking fourth) versus 11.5 percent nationally.

In contrast, payroll increases in mining and construction (34.4 percent and 17.6 percent, respectively) lagged those of national counterparts. The increase in manufacturing payrolls was less than one-third of the Nation's—4.1 percent versus 14.0 percent. Payroll increases in both durables and nondurables manufacturing ranked 48th in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

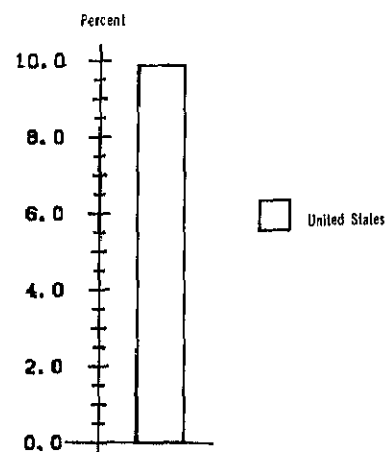


Chart 3.—Total Personal Income

[Seasonally adjusted]

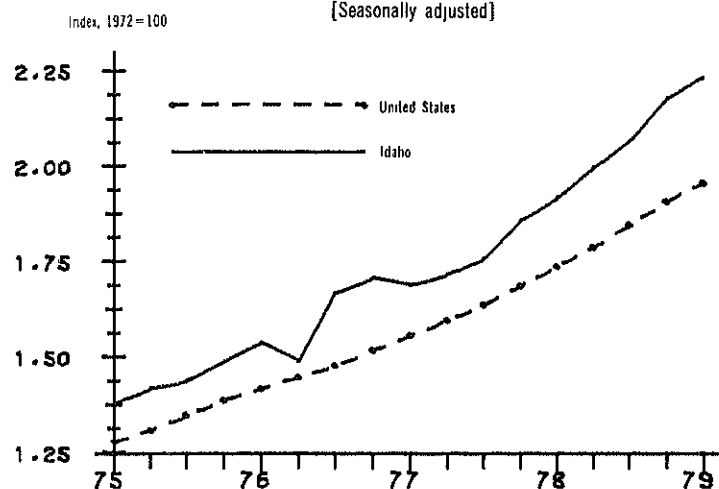


Chart 4.—Industrial Composition of Wages and Salaries

[Seasonally adjusted]

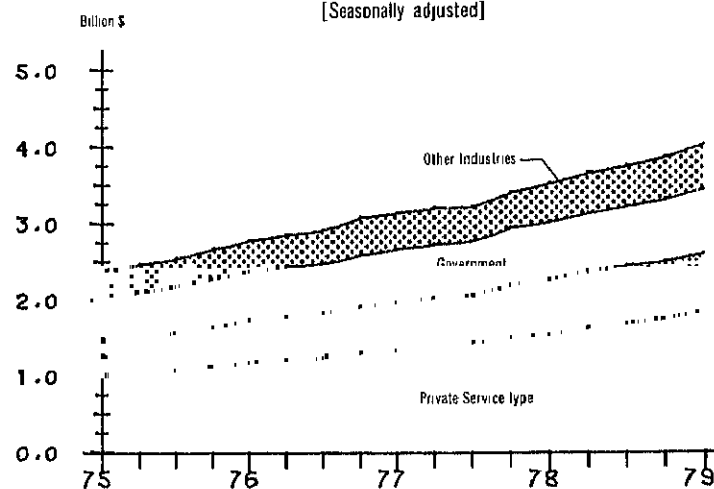


TABLE 2.—Personal Income, United States and Idaho

	United States		Idaho				U.S.	State	U.S.	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979 I	1977:IV— 1978:IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	5,452	5,630	6,385	6,570	12.6	17.1	12.6	16.7
Farm personal income	32,083	40,141	277	288	526	496	26.3	89.8	25.1	72.4
Nonfarm personal income	1,592,582	1,789,374	5,175	5,342	5,859	6,075	12.3	13.2	12.4	13.7
Total personal income	1,624,665	1,829,515	5,452	5,630	6,385	6,570	12.6	17.1	12.6	16.7
Wage and salary disbursements	1,042,716	1,176,598	3,414	3,522	3,863	4,041	12.6	13.2	12.8	14.7
Other labor income	99,957	115,833	306	319	354	372	16.4	16.0	15.9	16.5
Proprietors' income	108,808	126,535	529	562	828	798	18.9	56.6	16.3	42.1
Farm	24,448	31,221	146	156	381	341	31.3	160.8	27.7	119.5
Nonfarm	84,360	95,314	383	406	447	457	15.3	16.9	13.0	12.5
Dividends, interest, and rent	221,191	250,595	679	701	767	794	12.8	12.9	13.3	13.3
Transfer payments	219,202	238,794	726	741	800	821	8.2	10.2	8.9	10.8
State unemployment insurance benefits	9,997	8,023	34	33	33	36	-30.3	-3.5	-19.7	10.3
Less personal contributions	66,792	78,351	236	254	271	301	15.1	14.8	17.3	18.5
Plus residence adjustment	-417	-489	35	39	43	45	—	—	—	—
Wage and salary disbursements	1,042,716	1,176,598	3,414	3,522	3,863	4,041	12.6	13.2	12.8	14.7
Farm	7,215	8,422	128	128	141	150	10.6	10.8	16.7	16.8
Nonfarm	1,035,501	1,168,176	3,286	3,393	3,722	3,891	12.6	13.3	12.8	14.7
Mining	12,013	19,166	53	55	71	74	33.9	33.4	59.5	34.4
Construction	56,564	68,593	261	294	313	345	20.1	20.3	21.3	17.6
Manufacturing	285,735	325,636	708	728	749	758	13.3	5.8	14.0	4.1
Durable goods	182,321	211,944	431	456	466	480	15.2	8.0	16.2	5.3
Nondurable goods	103,414	113,692	276	272	283	278	10.0	2.5	9.9	2.1
Private service type	473,132	532,823	1,509	1,548	1,750	1,855	13.1	16.0	12.6	19.8
Transportation, communication, and public utilities	79,598	88,755	262	272	300	328	11.3	14.3	11.5	20.3
Wholesale and retail trade	177,331	201,608	617	642	727	771	14.1	17.9	13.7	20.0
Finance, insurance, and real estate	55,930	63,373	148	155	181	194	13.2	22.1	13.3	24.6
Services	160,273	179,087	482	477	542	562	12.7	12.5	11.7	17.8
Government	204,558	218,008	734	746	815	833	6.9	10.9	6.6	11.7
Federal	68,698	73,916	263	271	304	311	7.1	15.7	7.6	14.8
State and local	135,860	144,092	472	475	511	521	6.8	8.3	6.1	9.8
Other	3,499	3,950	21	23	24	26	14.6	14.5	12.9	12.8

1 Detail may not add to totals because of rounding.

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Idaho¹

	United States		Idaho				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978 I— 1979 I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Idaho's civilian labor force increased 5.0 percent versus 3.2 percent nationally (table 4). Idaho's increase was the ninth largest in the Nation. Total employment increased 3.3 percent versus 3.8 percent nationally, to 370,000.

With the labor force increasing 19,000 and employment increasing about 12,000, the number of unemployed in the State increased about

7,000, to 33,000. The State's unemployment rate increased 1.5 percentage points, to 8.1 percent of the labor force, compared with 6.3 percent nationally. Idaho's unemployment rate in 1979:I was the fourth highest in the Nation.

Preliminary data for March 1979 indicate that the unemployment rate in Boise City, the State's major metropolitan area, was 4.9 percent; statewide, the unemployment rate was 7.2 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Idaho

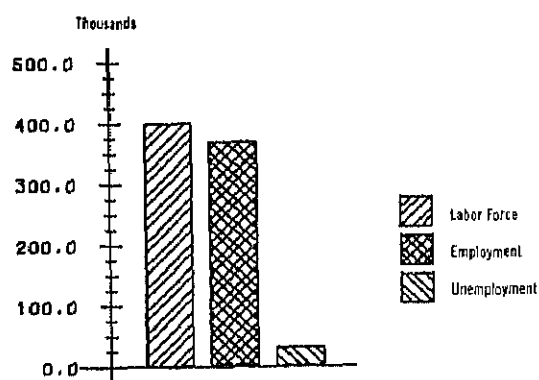


Chart 6.—Unemployment Rates, 1978:I—1979:I

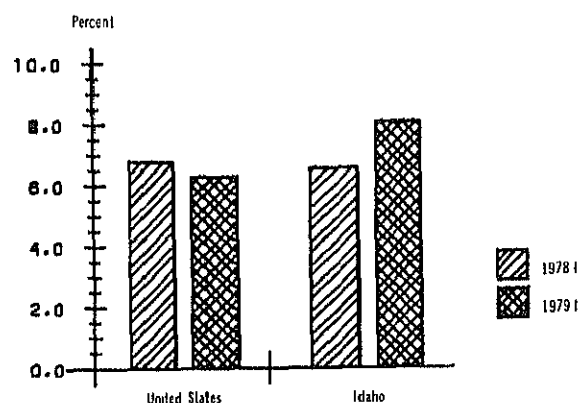


TABLE 4.—Labor Force, United States and Idaho

TABLE 4.—Labor Force, United States and Idaho

	United States		Idaho				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	317	313	340	332	4.2	7.1	2.9	6.3
Mining ..	730	896	4	4	4	4	14.4	5.6	22.7	5.6
Construction	3,784	3,973	20	17	21	17	11.2	8.6	5.0	4.8
Manufacturing	20,064	20,652	56	55	59	57	3.6	5.4	2.9	3.1
Transportation, communication, and public utilities	4,779	4,943	19	19	20	20	4.4	7.0	3.4	8.6
Wholesale and retail trade	18,937	19,549	80	79	85	83	4.5	5.6	3.2	6.0
Finance, insurance, and real estate	4,601	4,790	17	18	22	23	5.2	30.8	4.1	22.3
Services	15,758	16,149	54	55	58	59	4.4	8.2	2.5	6.9
Government	15,435	15,648	69	67	71	70	1.4	3.1	1.4	4.5
Civilian labor force ³	98,106	101,260	393	383	410	402	3.1	4.2	3.2	5.0
Total employed	91,401	94,901	373	358	387	370	3.9	3.7	3.8	3.3
Total unemployed	6,705	6,360	20	25	22	33	-8.8	14.3	-5.1	27.9
Percent unemployed	6.8	6.3	5.0	6.6	5.5	8.1	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This is a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

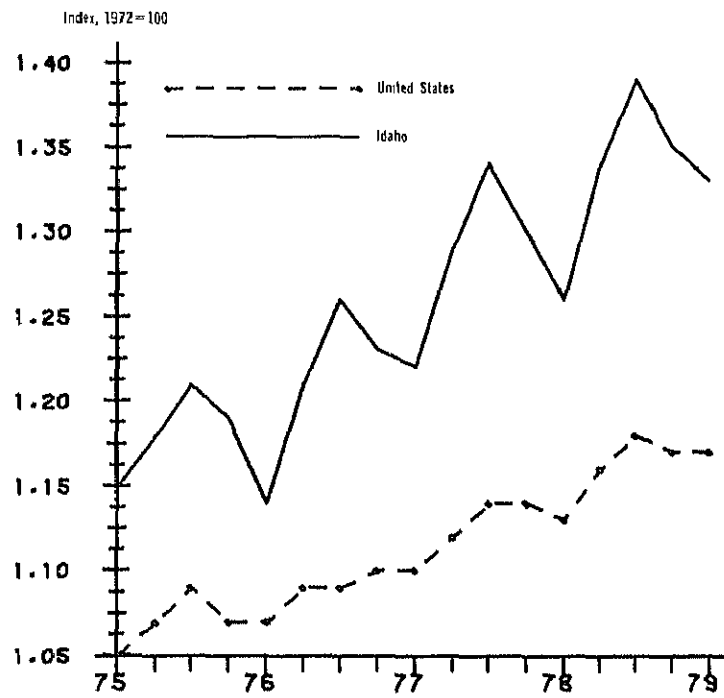


Chart 8.—Civilian Employment

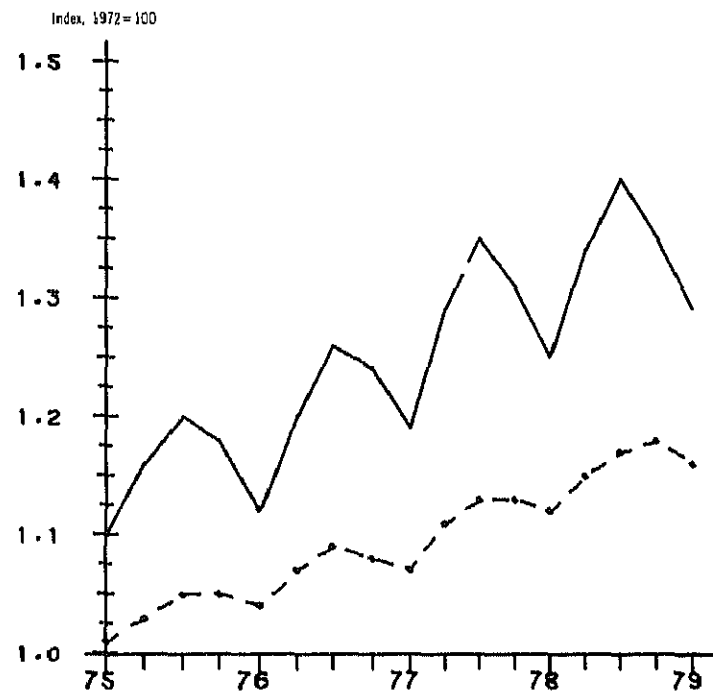


Chart 9.—Unemployment Rate

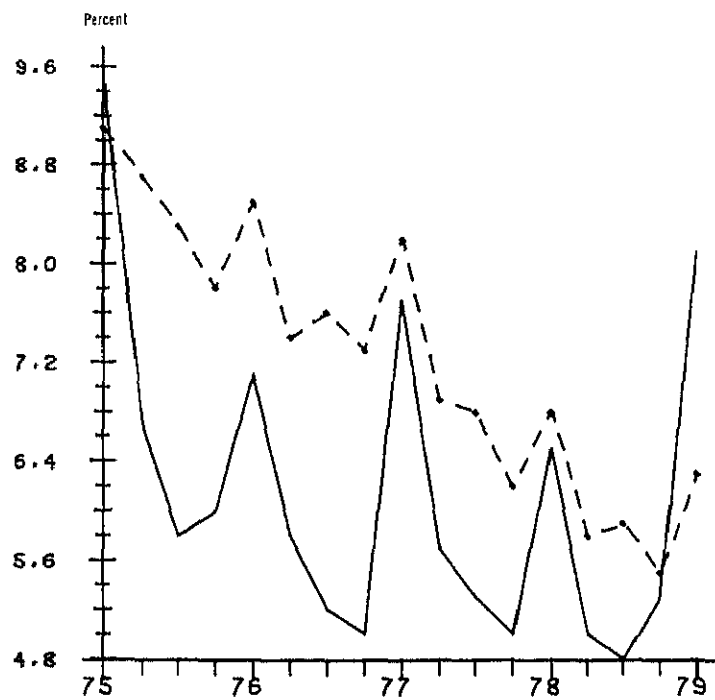
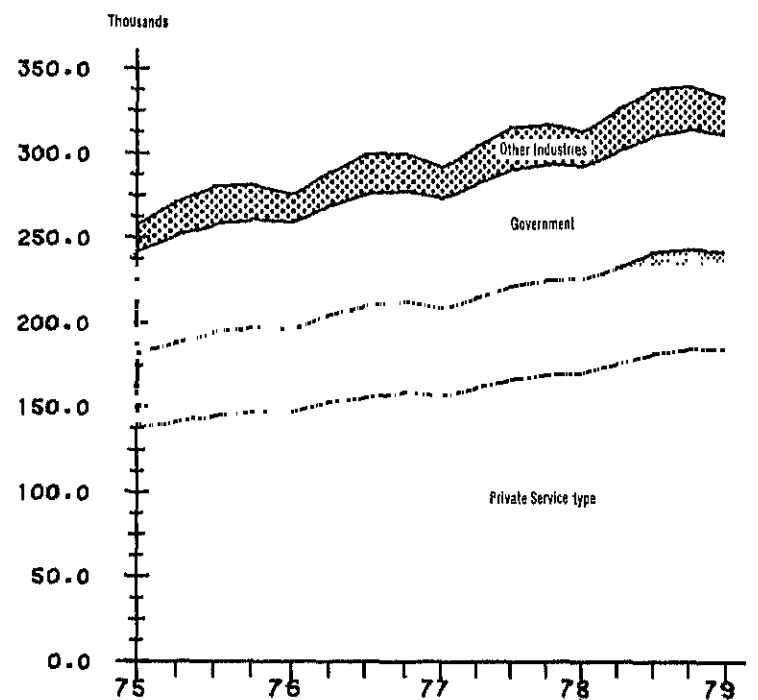


Chart 10.—Industrial Composition of Nonagricultural Employment: Idaho



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I—1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Idaho

	United States		Idaho				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978:IV	1979 I	1977:IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	2,357	2,409	2,617	n.a.	15.6	11.0	---	---
Commercial and industrial	202,241	n.a.	604	627	720	n.a.	13.3	19.1	---	---
Loans to individuals	143,356	n.a.	655	667	735	n.a.	18.7	12.3	---	---
Real estate	183,599	n.a.	656	692	748	n.a.	19.6	14.0	---	---
Residential	104,830	n.a.	444	474	521	n.a.	22.1	17.4	---	---
Farms	7,919	n.a.	14	13	14	n.a.	9.6	-4.4	---	---
Other	70,851	n.a.	198	206	213	n.a.	17.0	7.5	---	---
Farms, excluding real estate	25,440	n.a.	384	367	358	n.a.	9.5	-6.8	---	---
Other	64,581	n.a.	58	55	56	n.a.	7.9	-3.6	---	---
Total deposits	911,772	n.a.	3,288	3,301	3,602	n.a.	9.3	9.5	---	---
Demand	344,245	n.a.	1,181	1,082	1,216	n.a.	5.6	2.9	---	---
Time and savings	567,527	n.a.	2,108	2,219	2,387	n.a.	11.9	13.3	---	---

1 Detail may not add to totals because of rounding.

2 Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV—1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in Idaho increased 11.0 percent from 1977:IV to 1978:IV versus 15.6 percent nationally (table 5). The State's increase, one of the smallest in the Nation, brought bank loans to a total of \$2.6 billion in 1978:IV, up \$260 million since 1977:IV. Loans to individuals increased 12.3 percent, about 6 percentage points less than nationally, and real estate loans increased 14.0 percent, also about 6 percentage points less than nationally. Farm loans, excluding real estate, declined 6.8 percent

in Idaho, compared with a 9.5-percent national increase. In contrast, commercial and industrial loans increased 19.1 percent versus 13.3 percent nationally; the increase ranked 10th among all State increases.

Total deposits in Idaho increased 9.5 percent from 1977:IV to 1978:IV versus 9.3 percent nationally. In 1978:IV, bank deposits totaled \$3.6 billion, up \$314 million since 1977:IV. Demand deposits in the State increased at almost one-half of the Nation's rate (2.9 percent versus 5.6 percent), while time and savings deposits increased 13.3 percent versus 11.9 percent nationally.

Construction

From 1978:1 to 1979:1, the total valuation of construction contracts increased only 1.9 percent (to \$153 million), compared with an increase of 19.8 percent nationally (table 6). National construction costs increased about 14 percent during the same timespan, and if this national increase is representative of the cost increase throughout the State, the total valuation of contracts in Idaho sustained a real decline of about 12 percent versus a real increase in the Nation of about 6 percent.

A 24.2-percent decline (\$7.7 million) in the valuation of Idaho's nonresidential contracts substantially contributed to the State's lag in the total valuation of all contracts. Nationally, the valuation of nonresidential contracts increased 28.0 percent from year to year. Only two States, Georgia and South Dakota, declined more rapidly during this timespan.

The valuation of residential housekeeping contracts, which in 1979:1 accounted for two-thirds of the valuation of all contracts for new construction in Idaho, increased only 7.5 percent (\$5.9 million) in the State from 1978:1 to 1979:1, compared with 11.8 percent in the Nation. Similarly, the number of dwelling units started increased 1.8 percent in the State versus 2.6 percent in the Nation.

Additions and alterations to residential housekeeping units increased \$3.0 million in valuation, about 14 percent, compared with a national increase of about 18 percent.

Nonbuilding contracts increased 14.9 percent (\$2.5 million) versus 23.7 percent in the Nation, while the street and highway component of nonbuilding contracts increased 124.2 percent (\$9.2 million), compared with a 61.2-percent national increase.

Chart 14.—Construction Contracts—Total Valuation

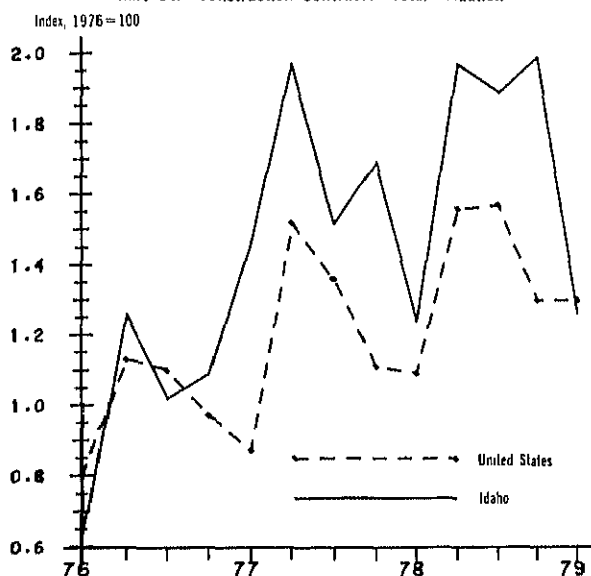


Chart 15.—Construction Contracts—Valuation of Contracts by Type:

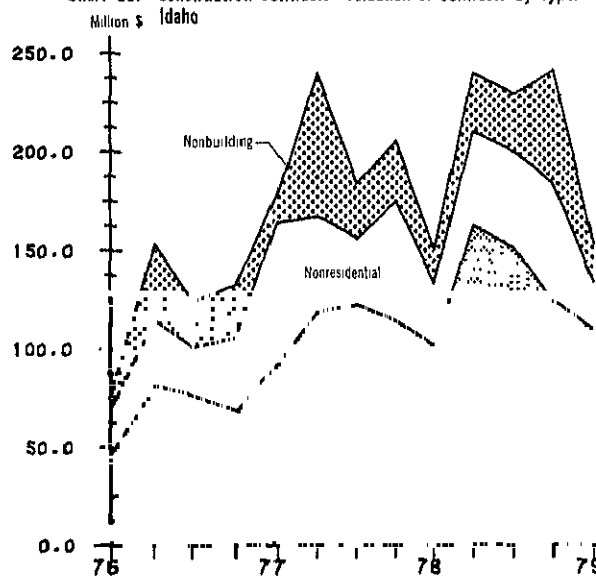


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:1—1979:1

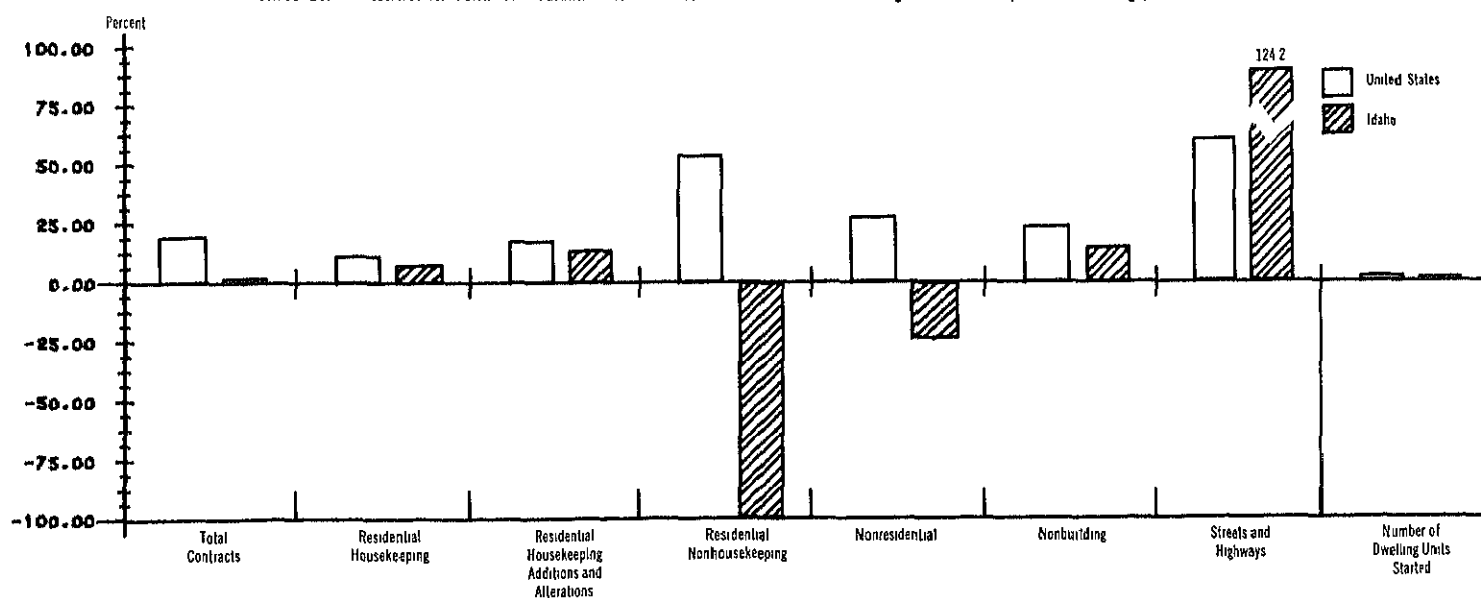


TABLE 6.—Construction Contracts, United States and Idaho¹

	United States		Idaho				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	205,767	150,436	242,098	153,301	16.8	17.7	19.8	1.9
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	27,508	21,798	33,298	24,824	14.6	21.0	17.9	13.9
All other contracts										
Number of contracts	53,028	53,454	390	316	285	268	-9.3	-26.9	8	-15.2
Valuation (thousands of dollars)	32,202,931	38,675,376	178,259	128,638	208,800	128,477	17.3	17.1	20.1	-1
Floor area (thousands of square feet)	807,538	904,811	4,931	3,950	5,434	3,732	10.3	10.2	12.0	-5.5
Residential housekeeping										
Number of contracts	13,592	14,399	159	155	153	162	-4.3	-3.8	5.9	4.5
Number of dwelling units	404,171	414,826	2,844	2,277	2,421	2,319	-2	-14.9	2.6	1.8
Valuation (thousands of dollars)	13,806,696	15,431,523	81,350	79,197	89,005	85,127	15.6	9.4	11.8	7.5
Floor area (thousands of square feet)	546,445	571,860	3,153	3,013	3,216	3,006	10.7	2.0	4.7	-2
Residential nonhousekeeping										
Number of contracts	441	464	5	1	2	0	-4	-60.0	5.2	---
Valuation (thousands of dollars)	327,201	504,158	5,211	900	1,932	0	54.9	-62.9	54.1	---
Floor area (thousands of square feet)	8,179	11,483	178	33	0	0	34.7	---	40.4	---
Nonresidential										
Number of contracts	25,282	23,514	126	99	90	73	-12.0	-28.6	-7.0	-26.3
Valuation (thousands of dollars)	9,056,146	11,595,243	61,236	31,769	59,585	24,076	16.3	-2.7	28.0	-24.2
Floor area (thousands of square feet)	252,915	321,468	1,601	904	2,217	726	8.7	38.5	27.1	-19.7
Nonbuilding										
Number of contracts	13,713	15,077	100	61	40	33	-9.1	-60.0	9.9	-45.9
Valuation (thousands of dollars)	9,012,888	11,144,452	30,462	16,772	58,278	19,274	20.6	91.3	23.7	14.9
Streets and Highways										
Number of contracts	3,989	4,750	39	19	15	16	-17.8	-61.5	19.1	-15.8
Valuation (thousands of dollars)	1,399,453	2,255,221	14,284	7,387	13,802	16,559	-18.1	-3.4	61.2	124.2

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Idaho are not available.

TABLE 7.—Retail Sales, United States and Idaho

	United States		Idaho				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Idaho

	United States		Idaho				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	382	500	436	n.a.	13.2	14.1	---	---
Total number of business failures	1,729	n.a.	3	7	7	n.a.	-4.9	133.3	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	179	621	856	n.a.	13.7	378.2	---	---
Average liability per failure (thousands of dollars)	404	n.a.	60	89	122	n.a.	19.4	103.3	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	1	1	3	n.a.	6.0	200.0	---	---
Construction	279	n.a.	0	2	2	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	0	1	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	0	3	2	n.a.	-4	---	---	---
Commercial services	205	n.a.	2	0	0	n.a.	-23.5	---	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 10.9%, 1.7 percentage points less than in U.S. —Manufacturing and private service-type industries weak
Consumer prices	—Up 10.3% in Chicago vs. 9.9% in U.S.
Employment	—Up 1.7% vs. 3.8% in U.S., to 4.9 million
Unemployment	—Down 68,000, to 305,000 —Rate down to 5.8% of the labor force vs. 6.3% in U.S.
Construction	—Total valuation of contracts down 6.3% vs. an increase of 19.8% in U.S., to \$1.5 billion —Valuation of nonresidential and nonbuilding contracts weak —Number of dwelling-unit starts down 10.0% vs. increase of 2.6% in U.S., to 10,752
Retail sales	—Up 8.1% vs. 15.8% in U.S., to \$10.2 billion

TABLE 1.—Summary of Economic Indicators, United States and Illinois

	United States		Illinois				U S	State	U S	State
	1978 I	1979 I	1977-IV	1978 I	1978 IV	1979-I	1977 IV - 1978:IV		1978 I - 1979 I	
All indicators, except income, not seasonally adjusted							Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	92,277	94,325	101,770	104,625	12.6	10.3	12.6	10.9
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	59,537	61,083	66,118	68,393	12.6	11.1	12.8	12.0
Civilian employment (thousands)	91,401	94,901	4,956	4,860	5,105	4,944	3.9	3.0	3.8	1.7
Unemployment (thousands)	6,705	6,360	312	373	292	305	-8.8	-6.5	-5.1	-18.2
Percent unemployed (unemployment/labor force)	6.8	6.3	5.9	7.1	5.4	5.8	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	47,674	48,922	55,556	n.a.	15.6	16.5	---	---
Total deposits (millions of dollars)	911,772	n.a.	68,837	67,561	74,186	n.a.	9.3	7.8	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	1,896,913	1,612,769	1,917,424	1,511,714	16.8	1.1	19.8	-6.3
Dwelling units started (number)	404,171	414,826	20,185	11,946	17,811	10,752	-2	-11.8	2.6	-10.0
Total retail sales (millions of dollars)	167,940	194,529	11,199	9,396	12,321	10,156	11.2	10.0	15.8	8.1
New business incorporations (number)	115,247	n.a.	4,194	4,885	5,743	n.a.	13.2	36.9	---	---
Business failures (number)	1,729	n.a.	93	114	83	n.a.	-4.9	-10.8	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Chicago	---	---	179.4	183.9	197.1	202.8	---	9.9	---	10.3

n.a. Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.9 percent from 1978:I to 1979:I, 1.7 percentage points less than in the Nation (table 2). In 1979:I, Illinois' total personal income was \$104.6 billion, for an increase of \$10.3 billion since 1978:I. Among the Great Lakes States, Illinois and Wisconsin had the smallest increases.

Consumer prices from 1978:I to 1979:I increased 10.3 percent in the Chicago metropolitan area versus a national increase of 9.9 percent (table 3). If Chicago's index is used as an indicator for price movements in the State, real total personal income in Illinois increased 0.6 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 12.0 percent in Illinois versus 12.8 percent in the Nation. In 1979:I, payrolls totaled \$68.4 billion, for an increase of \$7.3 billion since 1978:I.

Manufacturing payrolls in the State increased only 9.7 percent versus 14.0 percent in the Nation. Among all States, only three had smaller increases than Illinois. Manufacturing payrolls accounted for 31 percent of Illinois' total payrolls in 1979:I, in contrast to a national weight of 28 percent. Weakness in manufacturing extended to both durable and nondurable goods. Durable goods payrolls increased 11.4 percent in the State versus 16.2 percent in the Nation; nondurable goods payrolls increased 6.1 percent versus 9.9 percent in the Nation.

Payrolls in private service-type industries increased 11.8 percent in Illinois versus 12.6 percent in the Nation. Weakness centered in wholesale and retail trade and services. In contrast, the increase in finance-insurance-real estate payrolls was 21.2 percent in the State versus 13.3 percent nationally, and the increase in transportation-communication-public utilities payrolls was somewhat larger in the State than nationally.

Payrolls in construction increased only 12.7 percent in Illinois versus 21.3 percent in the Nation. Among all States, only nine had smaller increases than Illinois. Payrolls in mining, which accounted for a relatively small share of the State's total payrolls in 1979:I, increased substantially, reflecting the resumption of coal-mining activity following a strike in 1978:I.

Government payrolls in the State increased 13.0 percent, twice the increase in the Nation. Strength centered in State and local government payrolls, up 15.0 percent versus 6.1 percent in the Nation. The increase in Federal Government payrolls in Illinois was below the increase in the Nation.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

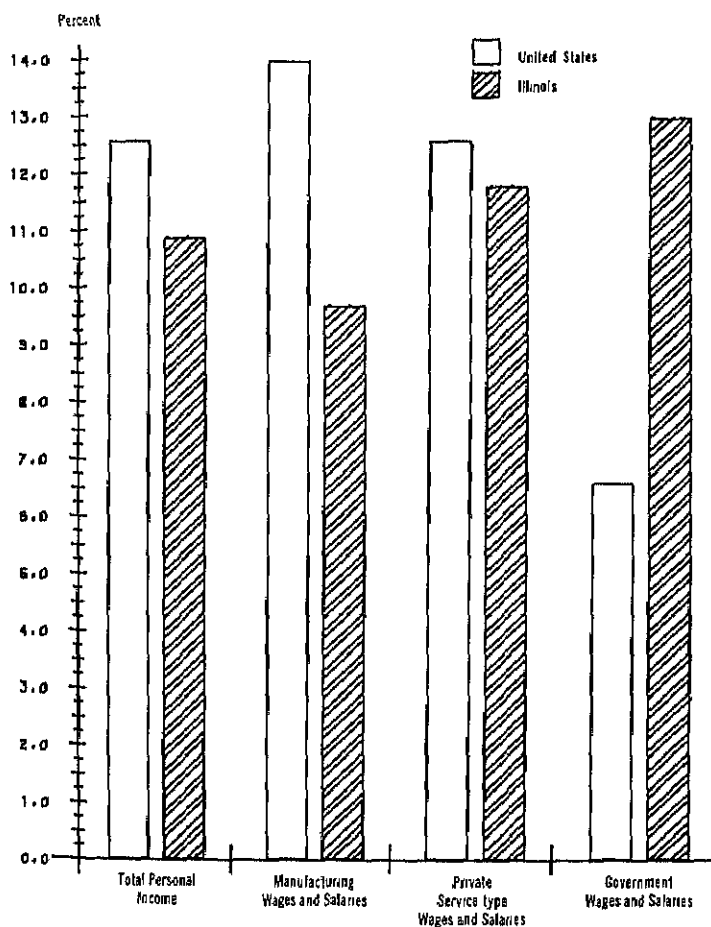


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

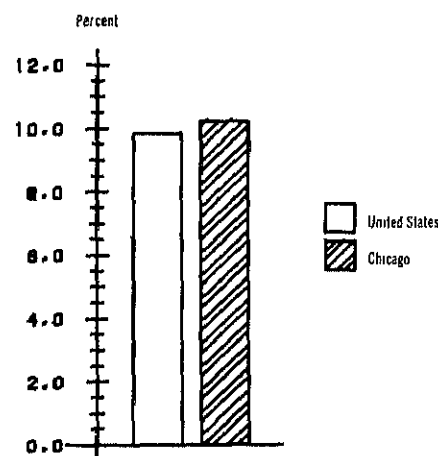


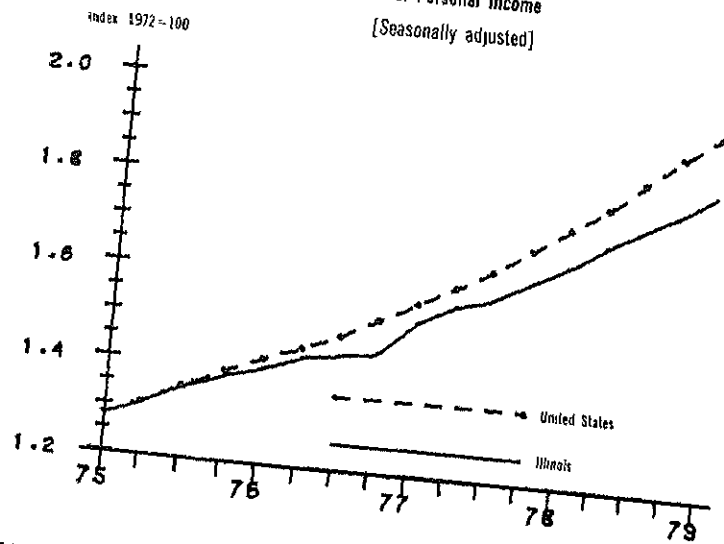
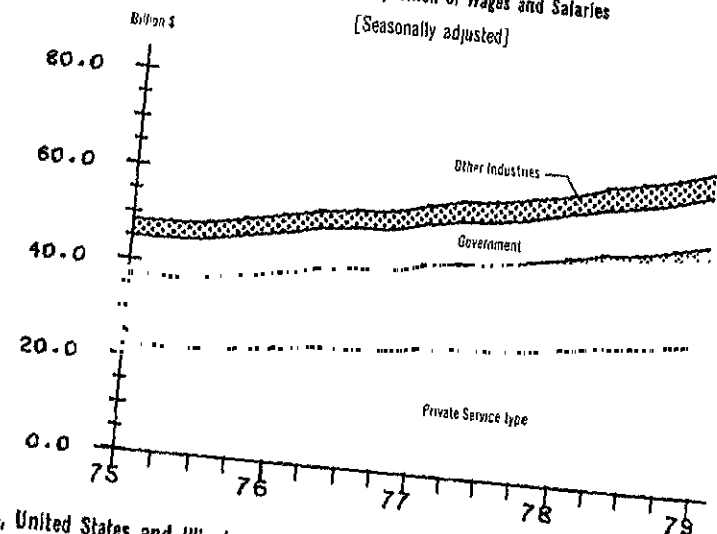
Chart 3.—Total Personal Income
[Seasonally adjusted]Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

TABLE 2.—Personal Income, United States and Illinois

	United States		Illinois				U.S.		State			
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:IV— 1979:I	1977:IV— 1978:IV	1978:I— 1979:I	1977:IV— 1978:IV	1978:I— 1979:I
	Millions of dollars, seasonally adjusted at annual rates ¹										Percent change ²	
Total personal income	1,624,665	1,829,515	92,277	94,325	101,770	104,625	12.6	10.3	12.6	10.9		
Farm personal income	32,083	40,141	1,805	1,844	1,589	1,712	26.3	-12.0	25.1	-7.1		
Nonfarm personal income	1,592,582	1,789,374	90,473	92,481	100,182	102,913	12.3	10.7	12.4	11.3		
Total personal income	1,624,665	1,829,515	92,277	94,325	101,770	104,625	12.6	10.3	12.6	10.9		
Wage and salary disbursements	1,042,716	1,176,598	59,537	61,083	66,118	68,393	12.6	11.1	12.8	12.0		
Other labor income	99,957	115,833	5,707	5,894	6,487	6,704	16.4	13.7	15.9	13.7		
Proprietors' income	108,808	126,535	5,867	6,154	6,704	6,252	18.9	4.9	16.3	4.2		
Farm	24,448	31,221	1,512	1,547	1,257	1,358	31.3	-16.9	27.7	-12.2		
Nonfarm	84,360	95,314	4,355	4,607	5,447	4,894	15.3	12.5	13.0	9.9		
Dividends, interest, and rent	221,191	250,595	12,956	13,304	14,372	14,827	12.8	10.9	13.3	11.4		
Transfer payments	219,262	236,794	11,254	11,310	12,034	12,180	8.2	6.9	8.9	7.7		
State unemployment	9,997	8,023	903	743	637	548	-30.3	-29.5	-19.7	-26.3		
Less private	66,792	78,351	3,399	3,625	3,814	4,154	15.1	12.2	17.3	14.6		
Plus federal	-417	-489	355	360	419	423						
Wage and salary disbursements	1,042,716	1,176,598	59,537	61,083	66,118	68,393	12.6	11.1	12.8	12.0		
Farm	7,215	8,422	267	270	301	321	10.6	13.1	16.7	19.2		
Nonfarm	1,035,501	1,168,176	59,271	60,813	65,817	68,071	12.6	11.0	12.8	11.9		
Manufacturing	12,013	19,166	512	254	624	614	33.9	21.9	59.5	141.6		
Durable goods	56,564	68,593	3,237	3,311	3,706	3,731	13.3	9.4	14.0	9.7		
Nondurable goods	285,735	325,636	18,461	19,050	20,204	20,905	15.2	11.2	16.2	11.4		
Private service type	182,321	211,944	12,520	12,941	13,922	14,422	10.0	5.8	9.9	6.1		
Transportation, communication, and public utilities	103,414	113,692	5,941	6,110	6,283	6,484	13.1	11.8	12.6	11.8		
Wholesale and retail trade	473,132	532,823	27,846	28,728	31,123	32,120	14.1	9.7	13.7	10.8		
Finance, insurance, and real estate	79,598	88,755	4,851	4,952	5,352	5,539	13.2	17.5	17.7	9.6		
Services	177,331	201,608	10,775	11,087	11,825	12,281	14.1	10.2	11.7	13.0		
Government	55,930	63,373	3,411	3,411	4,008	4,134	13.2	12.7	12.8	11.7		
Federal	160,273	179,087	8,810	9,278	9,938	10,166	6.9	6.8	6.6	6.5		
State and local	204,558	218,008	9,117	9,363	10,048	10,582	7.1	11.3	6.1	15.0		
Other	135,860	144,092	6,920	7,151	7,703	8,225	14.6	13.3	12.9	11.6		
Other	3,499	3,950	98	106	111	118						

1 Detail may not add to totals because of rounding.
2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Illinois¹

	United States		Illinois				U.S.		State			
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:IV— 1979:I	1977:IV— 1978:IV	1978:I— 1979:I	1977:IV— 1978:IV	1978:I— 1979:I
	Index, 1967=100, not seasonally adjusted										Percent change	
U.S. city average ²	188.4	207.0	179.4	183.9	197.1	202.8	8.9	9.9	9.9	10.3		
Chicago	188.4	207.0	179.4	183.9	197.1	202.8	8.9	9.9	9.9	10.3		

Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available for 85 representative urban areas based on the 1970 Census of Population and Housing. U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Illinois' civilian labor force increased only 0.3 percent, 2.9 percentage points less than in the Nation (table 4). Among all States, Illinois' increase was the smallest. Total employment increased 1.7 percent, 2.1 percentage points less than nationally, to 4.9 million. Illinois' increase was the third smallest in the Nation and the smallest in the Great Lakes region.

With the labor force increasing only 16,000 and employment increasing 84,000, the number of unemployed declined 68,000, to 305,000. In 1979:I, Illinois' unemployment rate was 5.8 percent versus 6.3 percent in the Nation. Illinois' rate was the second lowest in the Great Lakes region, after Wisconsin's. Most Great Lakes States had unemployment rates that were less than or near the national average. From 1978:I to

1979:I, Illinois' unemployment rate declined 1.3 percentage points versus a decline of 0.5 percentage point in the Nation; Illinois' decline was the largest in the Great Lakes region.

In March 1979, the preliminary unemployment rate in the State was 6.0 percent versus 6.7 percent a year previous. March 1979 rates in the major metropolitan areas of the State ranged from 4.4 percent in Davenport-Rock Island-Moline to 7.0 percent in Decatur. The rate in Chicago, the State's largest metropolitan area, was 5.5 percent. From year to year, unemployment rates declined in all major metropolitan areas in the State except Peoria, Rockford, and Springfield, where rates were little changed.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Illinois

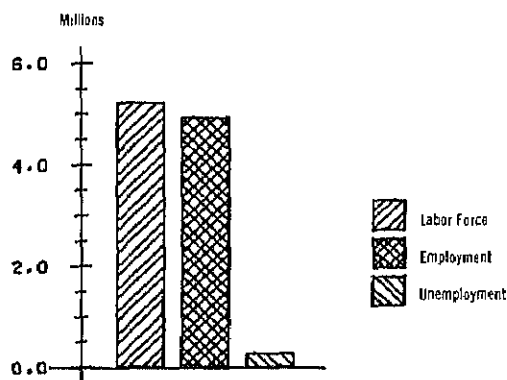


Chart 6.—Unemployment Rates, 1978:I—1979:I

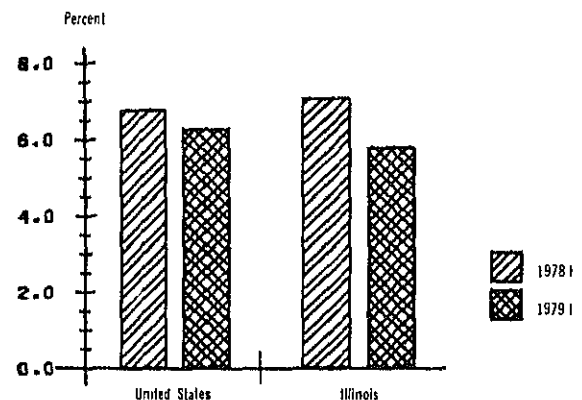


TABLE 4.—Labor Force, United States and Illinois

	United States		Illinois				U S	State	U S	State
	1978 I	1979.I	1977.IV	1978.I	1978 IV	1979 I	1977 IV— 1978.IV		1978.I— 1979.I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	34,207	36,680	4,723	4,641	4,839	4,770	4.2	2.5	2.9	2.8
Mining	730	896	25	14	28	27	14.4	13.4	22.7	97.1
Construction	3,784	3,973	176	146	183	150	11.2	4.1	5.0	3.4
Manufacturing	20,064	20,652	1,235	1,233	1,248	1,241	3.6	1.1	2.9	.7
Transportation, communication, and public utilities	4,779	4,943	287	282	297	292	4.4	3.4	3.4	3.6
Wholesale and retail trade	18,937	19,549	1,113	1,069	1,113	1,086	4.5	.0	3.2	1.6
Finance, insurance, and real estate	4,601	4,790	278	279	289	291	5.2	3.9	4.1	4.4
Services	15,758	16,149	871	870	902	901	4.4	3.5	2.5	3.6
Government	15,435	15,648	738	750	779	781	1.4	5.6	1.4	4.2
Civilian labor force ³	98,106	101,260	5,268	5,232	5,397	5,249	3.1	2.4	3.2	.3
Total employed	91,401	94,901	4,956	4,860	5,105	4,944	3.9	3.0	3.8	1.7
Total unemployed	6,705	6,360	312	373	292	305	-8.8	-6.5	-5.1	-18.2
Percent unemployed	6.8	6.3	5.9	7.1	5.4	5.8				

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This results a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

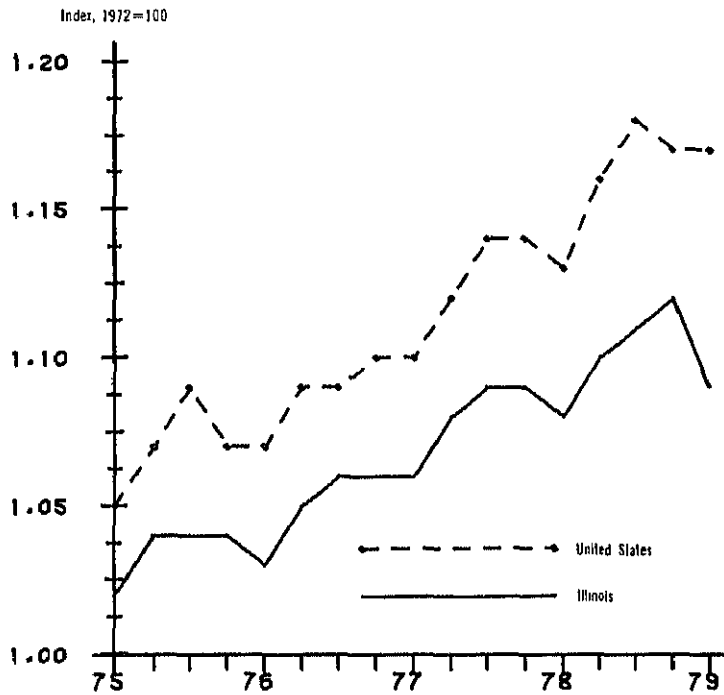


Chart 8.—Civilian Employment

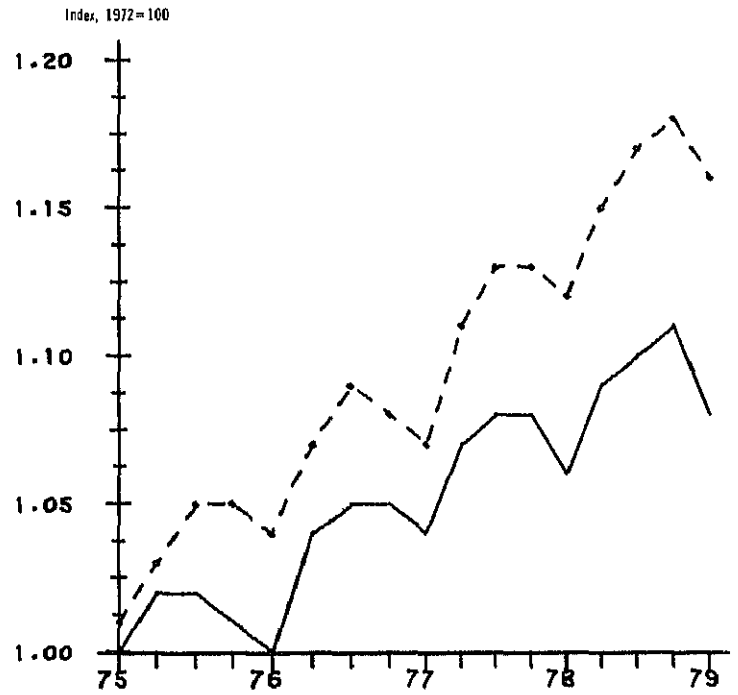


Chart 9.—Unemployment Rate

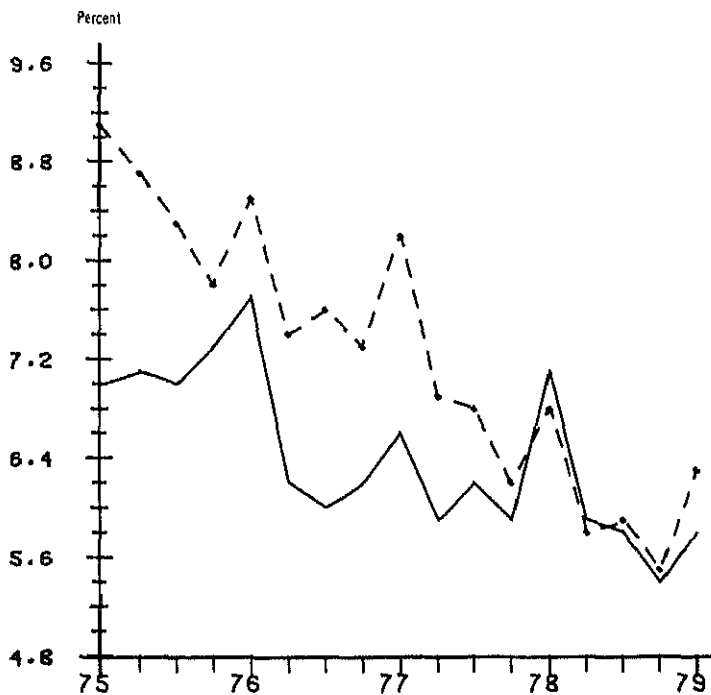
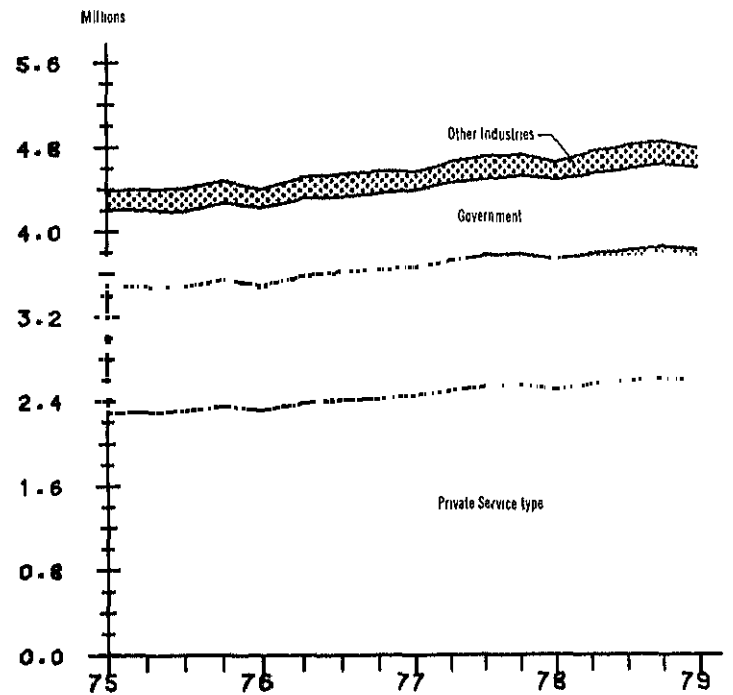


Chart 10.—Industrial Composition of Nonagricultural Employment: Illinois



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Illinois

	United States		Illinois				U S	State	U S	State
	1978 I	1979 I	1977-IV	1978 I	1978 IV	1979-I	1977-IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	47,674	48,922	55,556	n.a.	15.6	16.5	---	---
Commercial and industrial	202,241	n.a.	17,755	18,983	21,083	n.a.	13.3	18.7	---	---
Loans to individuals	143,356	n.a.	8,434	8,540	9,712	n.a.	18.7	15.1	---	---
Real estate	183,599	n.a.	11,339	11,748	13,922	n.a.	19.6	22.8	---	---
Residential	104,830	n.a.	6,877	7,164	8,517	n.a.	22.1	23.8	---	---
Farms	7,919	n.a.	521	536	609	n.a.	9.6	17.0	---	---
Other	70,851	n.a.	3,941	4,049	4,795	n.a.	17.0	21.7	---	---
Farms, excluding real estate	25,440	n.a.	1,818	1,817	2,092	n.a.	9.5	15.1	---	---
Other	64,581	n.a.	8,327	7,834	8,747	n.a.	7.9	5.0	---	---
Total deposits	911,772	n.a.	68,837	67,561	74,186	n.a.	9.3	7.8	---	---
Demand	344,245	n.a.	24,503	21,671	25,630	n.a.	5.6	4.6	---	---
Time and savings	567,527	n.a.	44,333	45,890	48,557	n.a.	11.9	9.5	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 16.5 percent from 1977:IV to 1978:IV in Illinois versus an increase of 15.6 percent in the Nation (table 5). In 1978:IV, Illinois' loans totaled \$55.6 billion, for an increase of \$7.9 billion since 1977:IV. Strength in the State centered in commercial and industrial loans, which increased 18.7 percent versus 13.3 percent in the Nation. Illinois' percentage increase ranked 12th among all State increases. Similarly, real estate loans increased 22.8 percent versus 19.6 percent in

the Nation. In contrast, loans to individuals increased 15.1 percent in Illinois versus 18.7 percent in the Nation.

Total deposits increased 7.8 percent in Illinois from 1977:IV to 1978:IV, 1.5 percentage points less than in the Nation. In 1978:IV, deposits totaled \$74.2 billion, for an increase of \$5.3 billion since 1977:IV. Weakness in the State centered in time and savings deposits, which increased 9.5 percent versus 11.9 percent in the Nation. Among all States, only 11 had smaller increases. Demand deposits increased 4.6 percent versus 5.6 percent in the Nation.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts declined 6.3 percent in Illinois versus an increase of 19.8 percent in the Nation (table 6). Among all States, Illinois' percentage change ranked 44th. Illinois' decline was the largest in the Great Lakes region. The change in the valuation of contracts in each major construction category was smaller in Illinois than in the Nation. The shortfall was particularly pronounced in both the nonresidential and nonbuilding categories. In 1979:I, contracts in Illinois totaled \$1.5 billion, for a decline over the year of \$0.1 billion. In 1978:I, two large contracts in Cook County raised the total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If these are excluded, the total valuation of contracts in the State would have increased about 4 percent (\$0.1 billion) from 1978:I to 1979:I.

Nationally, construction costs increased about 14 percent; if this national increase is representative of cost changes in Illinois, the real valuation of construction contracts (including the two large contracts in 1978:I) would have declined about 20 percent versus an increase of about 6 percent nationally. Excluding the two large contracts, the real valuation of construction in Illinois would have declined about 10 percent.

The valuation of nonresidential contracts declined 12.9 percent in Illinois versus an increase of 28.0 percent in the Nation. Most of the State's decline was traceable to a \$60 million contract in 1978:I for an office building in Cook County. If this contract is excluded, the

valuation of nonresidential contracts in Illinois would have been virtually unchanged from year to year.

The valuation of nonbuilding contracts declined 10.7 percent in Illinois, in sharp contrast to an increase of 23.7 percent in the Nation. The State's decline was traceable to a \$99 million contract in 1978:I for a tunnel in Cook County. Excluding this contract, the valuation of nonbuilding contracts in Illinois would have increased 33 percent. The valuation of street and highway contracts—a subcategory of nonbuilding contracts—declined 6.4 percent in Illinois and increased 61.2 percent in the Nation.

The housing market was weak in Illinois from 1978:I to 1979:I. The valuation of contracts for additions and alterations to residential housekeeping units increased 13.6 percent in the State versus 17.9 percent in the Nation. Among all States, this increase ranked 36th. The valuation of contracts for new residential housekeeping units declined 5.6 percent in Illinois and increased 11.8 percent in the Nation. Among all States, Illinois' change ranked 38th, and among the Great Lakes States, only Wisconsin had a larger decline. The number of dwelling units started declined 10.0 percent in the State and increased 2.6 percent in the Nation. Among all States, Illinois' change ranked 34th. The number of dwelling units started in Illinois declined 1,194 units, to 10,752 units in 1979:I. Each Great Lakes State had a decline in the number of dwelling units started.

Chart 14.—Construction Contracts—Total Valuation

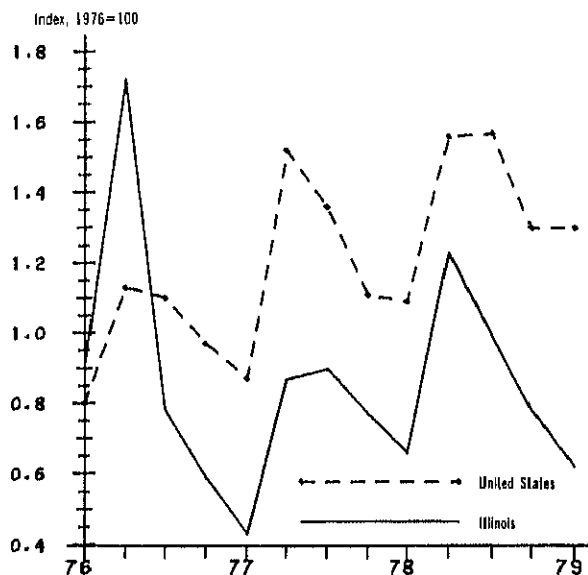


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Illinois

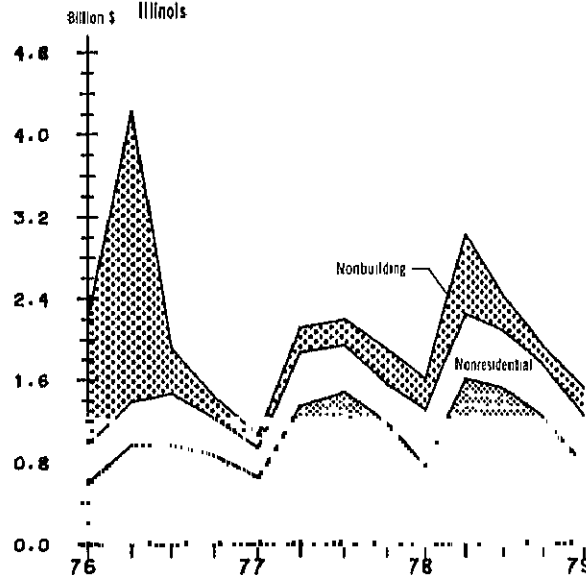


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

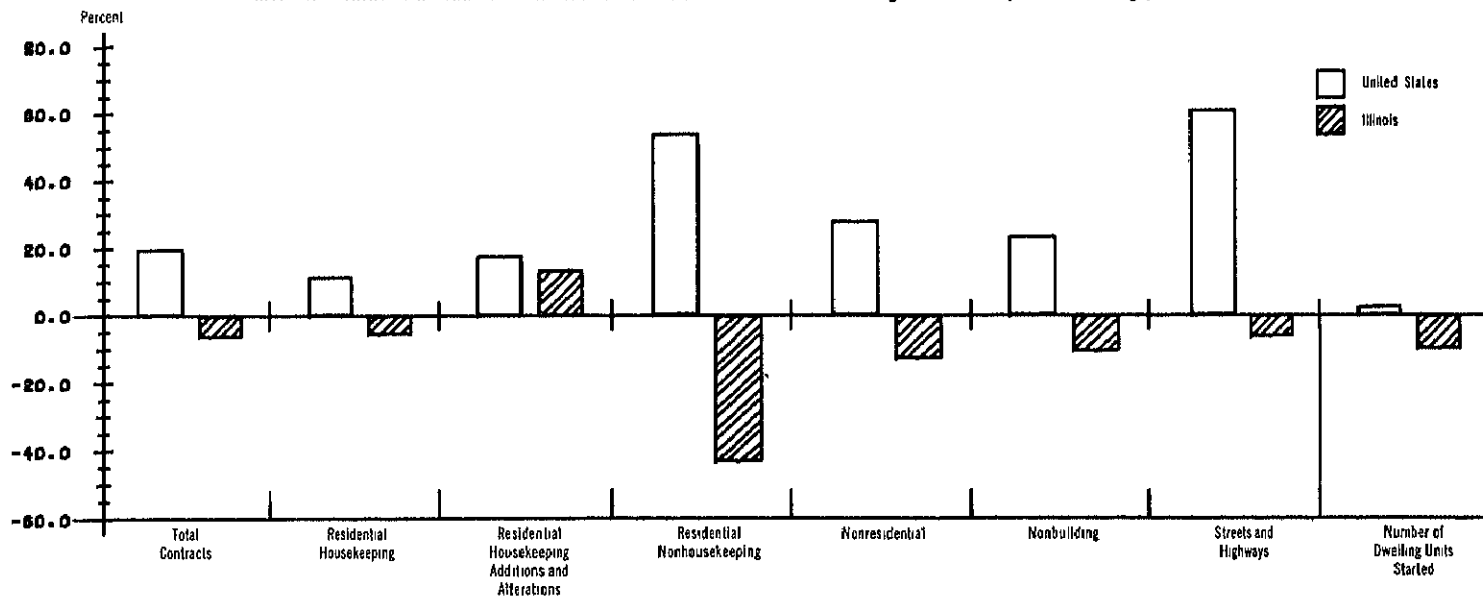


TABLE 6.—Construction Contracts, United States and Illinois¹

	United States		Illinois				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	1,896,913	1,612,769	1,917,424	1,511,714	16.8	1.1	19.8	-6.3
Residential housekeeping, additions and alterations Valuation (thousands of dollars)	5,904,299	6,962,771	376,362	262,544	414,436	298,185	14.6	10.1	17.9	13.6
All other contracts										
Number of contracts	53,028	53,454	2,805	2,173	2,246	2,187	-9.3	-19.9	8	6
Valuation (thousands of dollars)	32,202,931	38,675,376	1,520,551	1,350,225	1,502,988	1,213,529	17.3	-1.2	20.1	-10.1
Floor area (thousands of square feet)	807,538	904,811	41,560	32,168	41,312	27,472	10.3	-6	12.0	-14.6
Residential housekeeping										
Number of contracts	13,592	14,399	662	525	579	606	-4.3	-12.5	5.9	15.4
Number of dwelling units	404,171	414,826	20,185	11,946	17,811	10,752	-2	-11.8	2.6	-10.0
Valuation (thousands of dollars)	13,806,696	15,431,523	801,553	476,725	806,919	450,215	15.6	7	11.8	-5.6
Floor area (thousands of square feet)	546,445	571,860	28,200	17,240	26,590	14,683	10.7	-5.7	4.7	-14.8
Residential nonhousekeeping										
Number of contracts	441	464	24	20	11	11	-4	-54.2	5.2	-45.0
Valuation (thousands of dollars)	327,201	504,158	10,204	14,441	12,479	8,158	54.9	22.3	54.1	-43.5
Floor area (thousands of square feet)	8,179	11,483	183	574	201	49	34.7	10.2	40.4	-91.5
Nonresidential										
Number of contracts	25,282	23,514	1,346	987	1,001	925	-12.0	-25.6	-7.0	-6.3
Valuation (thousands of dollars)	9,056,146	11,595,243	367,777	555,057	511,598	483,578	16.3	39.1	28.0	-12.9
Floor area (thousands of square feet)	252,915	321,468	13,178	14,355	14,522	12,739	8.7	10.2	27.1	-11.3
Nonbuilding										
Number of contracts	13,713	15,077	773	641	655	645	-9.1	-15.3	9.9	.6
Valuation (thousands of dollars)	9,012,888	11,144,452	341,017	304,002	171,992	271,578	20.6	-49.6	23.7	-10.7
Streets and Highways										
Number of contracts	3,989	4,750	228	201	182	197	-17.8	-20.2	19.1	-2.0
Valuation (thousands of dollars)	1,399,453	2,255,221	95,925	68,862	64,367	64,455	-18.1	-32.9	61.2	-6.4

1. Contracts started or expected to start within 60 days

2. Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE: Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Illinois totaled \$10.2 billion in 1979:I, up 8.1 percent increase (table 7). In 1979:I, nondurable goods accounted for \$6.6 billion (\$760 million) since 1978:I, compared with a 15.8-percent national lion of the total, and durable goods accounted for \$3.6 billion.

TABLE 7.—Retail Sales, United States and Illinois

	United States		Illinois				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	11,199	9,396	12,321	10,156	11.2	10.0	15.8	8.1
Durable goods	55,388	68,203	n.a.	n.a.	4,084	3,577	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	8,237	6,579	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Illinois

	United States		Illinois				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	4,194	4,885	5,743	n.a.	13.2	36.9	---	---
Total number of business failures	1,729	n.a.	93	114	83	n.a.	-4.9	-10.8	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	16,385	43,415	19,144	n.a.	13.7	16.8	---	---
Average liability per failure (thousands of dollars)	404	n.a.	176	381	231	n.a.	19.4	31.3	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	8	16	10	n.a.	6.0	25.0	---	---
Construction	279	n.a.	12	22	14	n.a.	-8.2	16.7	---	---
Wholesale trade	205	n.a.	13	8	13	n.a.	-6.3	0	---	---
Retail trade	769	n.a.	45	53	44	n.a.	-4	-2.2	---	---
Commercial services	205	n.a.	15	15	7	n.a.	-23.5	-53.3	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE: This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 14.5%, 1.9 percentage points more than in U.S. —Private service-type industries and mining strong
Consumer prices	—Up 10.3% in Chicago and 11.5% in Cincinnati vs. 9.9% in U.S.
Employment	—Up 3.8%, same as in U.S., to 2.4 million
Unemployment	—Little changed, at somewhat more than 160,000 —Rate down to 6.2% of labor force vs. 6.3% in U.S.
Construction	—Total valuation of contracts up 18.8% vs. 19.8% in U.S., to \$187 million —Valuation of most major types of contracts up somewhat less than in U.S. —Number of dwelling-unit starts down 14.7% vs. an increase of 2.6% in U.S., to 6,417
Retail sales	—Up 20.1% vs. 15.8% in U.S., to \$4.7 billion

TABLE 1.—Summary of Economic Indicators, United States and Indiana

	United States		Indiana				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978 I	1978:IV	1979:I	1977:IV— 1978 IV	1978:I— 1979 I	1978:I— 1979 I	1978:I— 1979 I
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	38,194	39,202	43,498	44,887	12.6	13.9	12.6	14.5
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	25,098	25,798	28,423	29,516	12.6	13.2	12.8	14.4
Civilian employment (thousands)	91,401	94,901	2,349	2,344	2,457	2,434	3.9	4.6	3.8	3.8
Unemployment (thousands)	6,705	6,360	124	164	137	162	-8.8	10.7	-5.1	-1.5
Percent unemployed (unemployment/labor force)	6.8	6.3	5.0	6.5	5.3	6.2	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	13,691	14,098	15,396	n.a.	15.6	12.5	---	---
Total deposits (millions of dollars)	911,772	n.a.	21,804	21,176	23,067	n.a.	9.3	5.8	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	1,388,558	688,286	2,101,562	817,436	16.8	51.3	19.8	18.8
Dwelling units started (number)	404,171	414,826	10,852	7,527	8,569	6,417	-2	-21.0	2.6	-14.7
Total retail sales (millions of dollars)	167,940	194,529	5,042	3,934	5,667	4,725	11.2	12.4	15.8	20.1
New business incorporations (number)	115,247	n.a.	1,247	1,617	1,521	n.a.	13.2	22.0	---	---
Business failures (number)	1,729	n.a.	43	43	33	n.a.	-4.9	-23.3	---	---
Consumer Price Index (1967=100):										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Chicago	---	---	179.4	183.9	197.1	202.8	---	9.9	---	10.3
Cincinnati	---	---	186.7	192.3	207.5	214.5	---	11.1	---	11.5

n.a. Data not available

Source. See tables 2 through 8.

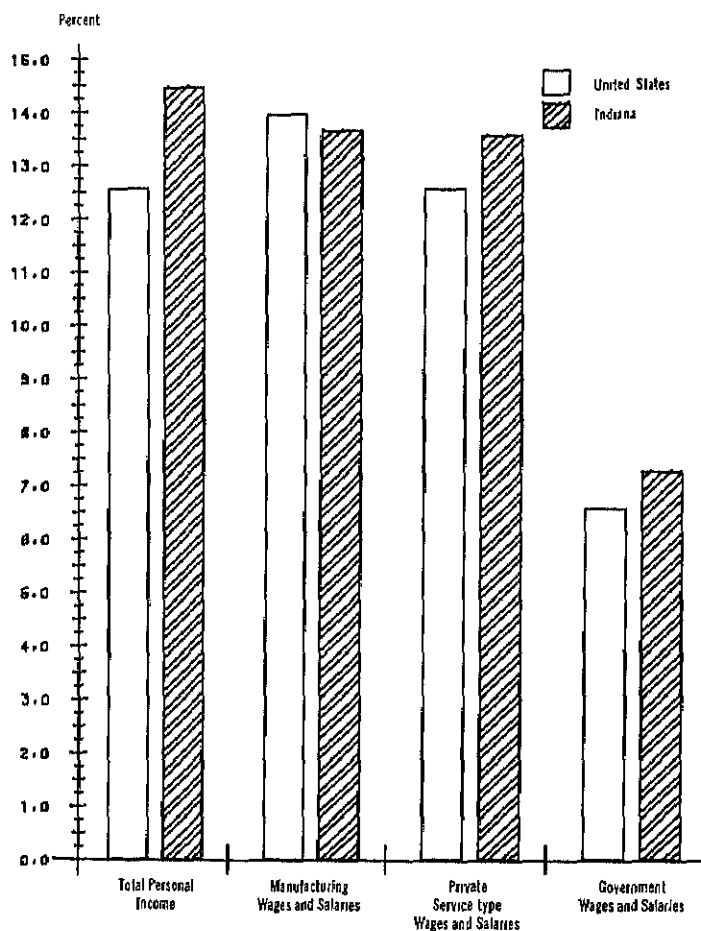
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 14.5 percent from 1978:I to 1979:I, 1.9 percentage points more than in the Nation (table 2). In 1979:I, Indiana's total personal income was \$44.9 billion, for an increase of \$5.7 billion since 1978:I. Indiana's percentage increase ranked 15th among all States and first among the Great Lakes States.

Consumer prices from 1978:I to 1979:I increased 10.3 percent in Chicago and 11.5 percent in Cincinnati versus a national increase of 9.9 percent (table 3). If an average of the price increases in these areas—10.9 percent—is used as an indicator for price movements in the State, real total personal income in Indiana increased 3.6 percent from year to year versus 2.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 14.4 percent in Indiana, 1.6 percentage points more than in the Nation. In 1979:I, payrolls totaled \$29.5 billion, for an increase of \$3.7 billion since 1978:I. Among all States, Indiana's increase ranked 15th.

Payrolls in private service-type industries increased 13.6 percent in Indiana versus 12.6 percent in the Nation. Particularly large increases in the State occurred in wholesale and retail trade and finance-insurance-real estate. In contrast, the increase in services in Indiana was well below the corresponding increase in the Nation.

Construction payrolls increased 35.7 percent in Indiana versus 21.3 percent in the Nation. Among all States, Indiana's increase ranked sixth. Payrolls in mining, which accounted for a relatively small share of total payrolls in the State in 1979:I, increased substantially, reflecting the resumption of coal mining activities after a miners' strike in 1978:I.

Manufacturing payrolls in Indiana increased 13.7 percent, 0.3 percentage point less than in the Nation. The weakness was concentrated in durables payrolls, up 13.7 percent versus 16.2 percent in the Nation. In contrast, nondurables payrolls increased 13.5 percent in Indiana versus 9.9 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

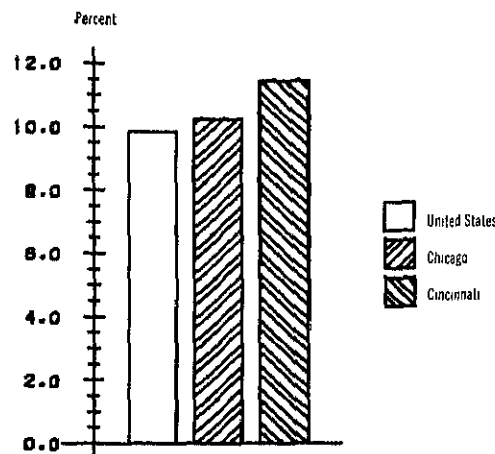


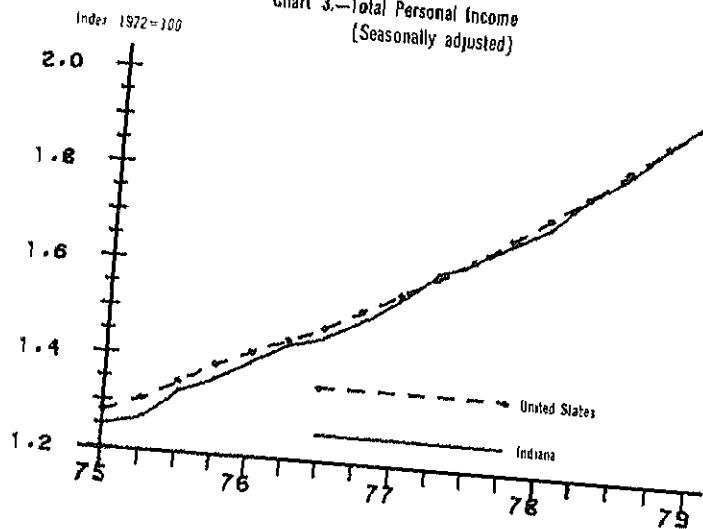
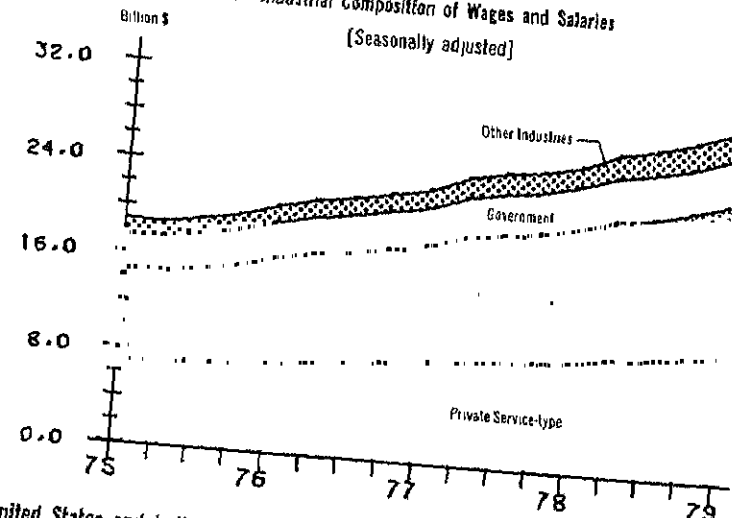
Chart 3.—Total Personal Income
(Seasonally adjusted)Chart 4.—Industrial Composition of Wages and Salaries
(Seasonally adjusted)

TABLE 2.—Personal Income, United States and Indiana

	United States		Indiana			U.S.		State		
	1978 I	1979 I	1977 IV	1978 I	1978:IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	38,194	39,202	43,498	44,887	12.6	13.9	12.6	14.5
Farm personal income	32,083	40,141	740	776	1,231	1,268	26.3	66.4	25.1	63.3
Nonfarm personal income	1,592,582	1,789,374	37,454	38,426	42,266	43,619	12.3	12.8	12.4	13.5
Total personal income	1,624,665	1,829,515	38,194	39,202	43,498	44,887	12.6	13.9	12.6	14.5
Wage and salary disbursements	1,042,716	1,176,598	25,098	25,798	28,423	29,516	12.6	13.2	12.8	14.4
Other labor income	99,957	115,833	2,787	2,902	3,233	3,373	16.4	16.0	15.9	16.2
Proprietors' income	108,808	126,535	2,471	2,549	3,244	3,280	18.9	31.3	16.3	28.7
Dividends, interest, and rent	24,448	31,221	580	615	1,051	1,075	31.3	81.1	27.7	75.0
Transfer payments	84,360	95,314	1,891	1,935	2,193	2,204	15.3	16.0	13.0	13.9
State unemployment insurance benefits	221,191	250,595	4,958	5,104	5,541	5,731	12.8	11.8	13.3	12.3
Less personal contributions	219,202	238,784	4,250	4,351	4,640	4,758	8.2	9.2	8.9	9.3
Plus residence adjustment	66,792	78,351	106	120	76	99	-30.3	-28.6	-19.7	-17.5
Wage and salary disbursements	1,042,716	1,176,598	25,098	25,798	28,423	29,516	12.6	13.2	12.8	14.4
Farm	7,215	8,422	156	158	176	188	10.6	12.8	16.7	18.9
Nonfarm	1,035,501	1,168,176	24,942	25,640	28,247	29,329	12.6	13.2	12.8	14.4
Manufacturing	12,013	19,166	148	148	213	208	33.9	44.2	59.5	170.2
Durable goods	56,564	68,593	1,341	1,348	1,753	1,828	20.1	30.7	21.3	35.7
Non-durable goods	285,735	325,636	10,888	11,295	12,242	12,840	13.3	12.4	14.0	13.7
Private service-type	182,321	211,944	8,680	9,006	9,827	10,243	15.2	13.2	16.2	13.7
Transportation, communication, and public utilities	103,414	113,692	2,208	2,289	2,415	2,598	10.0	9.4	9.9	13.5
Wholesale and retail trade	473,132	532,823	9,082	9,360	10,285	10,629	13.1	13.2	12.6	13.6
Finance, insurance, and real estate	79,598	88,755	1,664	1,730	1,855	1,934	11.3	11.5	11.5	11.8
Services	177,331	201,608	3,819	3,916	4,374	4,523	14.1	14.5	13.7	15.5
Government	55,930	63,373	1,016	1,020	1,175	1,211	13.2	15.7	13.3	18.8
Federal	160,273	179,087	2,584	2,694	2,881	2,961	12.7	11.5	11.7	9.9
State and local	204,558	218,008	3,448	3,522	3,713	3,780	6.9	7.7	6.6	7.3
Other	68,698	73,916	771	791	835	867	7.1	8.4	7.6	9.6
	135,860	144,092	2,677	2,731	2,878	2,913	6.8	7.5	6.1	6.7
	3,499	3,950	36	39	41	44	14.6	14.8	12.9	13.0

1 Detail may not add to totals because of rounding
2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Indiana¹

	United States		Indiana			U.S.		State		
	1978 I	1979 I	1977 IV	1978 I	1978:IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	179.4	183.9	197.1	202.3	8.9	9.9	10.3	11.5
Chicago	---	---	---	---	---	---	---	---	---	---
Cincinnati	---	---	---	---	---	---	---	---	---	---

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2 Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Indiana's civilian labor force increased 3.5 percent, 0.3 percentage point more than in the Nation (table 4). Total employment increased 3.8 percent in both the State and Nation. In 1979:I, employment totaled 2.4 million in Indiana.

With both the labor force and employment increasing about 90,000, the number of unemployed was little changed, at somewhat more than 160,000. Indiana's unemployment rate declined 0.3 percentage point, to 6.2 percent of the labor force in 1979:I, compared with 6.3 percent nationally. Most Great Lakes States had unemployment rates that were less than or near the national average.

In March 1979, the preliminary unemployment rate in the State was 5.8 percent, down from the year-ago rate of 6.2 percent. March 1979 rates in the major metropolitan areas of the State ranged from 4.6 percent in Fort Wayne and Lafayette-West Lafayette to 6.7 percent in Muncie. In Indianapolis, the largest metropolitan area in the State, the unemployment rate was 5.0 percent. From March 1978 to March 1979, unemployment rates were down in most of Indiana's major metropolitan areas, were little changed in Anderson, Evansville, and Lafayette-West Lafayette, and were up in South Bend.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Indiana

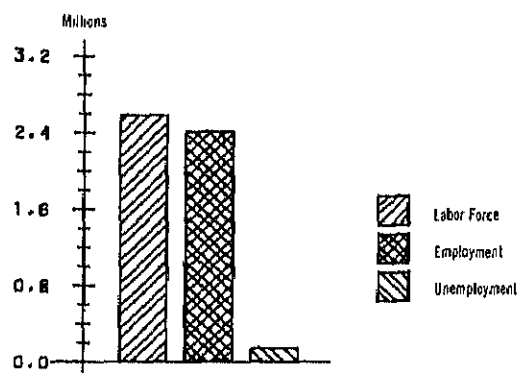


Chart 6.—Unemployment Rates, 1978:I—1979:I

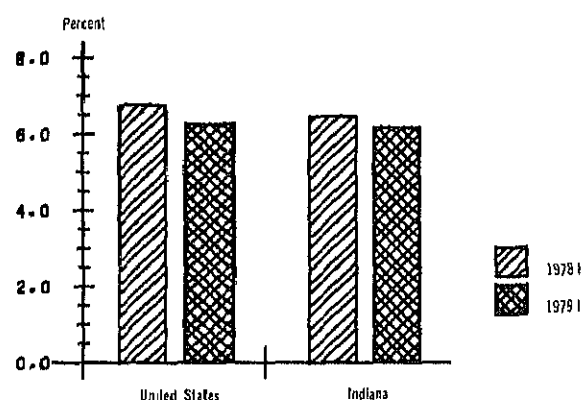


TABLE 4.—Labor Force, United States and Indiana

	United States		Indiana				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977.IV—1978.IV		1978.I—1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	2,156	2,113	2,232	2,196	4.2	3.5	2.9	3.9
Mining	730	896	8	6	10	9	14.4	28.2	22.7	70.9
Construction	3,784	3,973	96	78	109	92	11.2	13.0	5.0	18.1
Manufacturing	20,064	20,652	727	720	752	747	3.6	3.5	2.9	3.7
Transportation, communication, and public utilities	4,779	4,943	107	105	110	109	4.4	3.0	3.4	3.7
Wholesale and retail trade	18,937	19,549	474	457	485	471	4.5	2.2	3.2	3.0
Finance, insurance, and real estate	4,601	4,790	95	94	97	98	5.2	3.1	4.1	4.3
Services	15,758	16,149	302	304	315	313	4.4	4.3	2.5	3.1
Government	15,435	15,648	348	349	354	356	1.4	1.8	1.4	2.0
Civilian labor force ³	98,106	101,260	2,473	2,509	2,594	2,596	3.1	4.9	3.2	3.5
Total employed	91,401	94,901	2,349	2,344	2,457	2,434	3.9	4.6	3.8	3.8
Total unemployed	6,705	6,360	124	164	137	162	-8.8	10.7	-5.1	-1.5
Percent unemployed	6.8	6.3	5.0	6.5	5.3	6.2	---	---	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

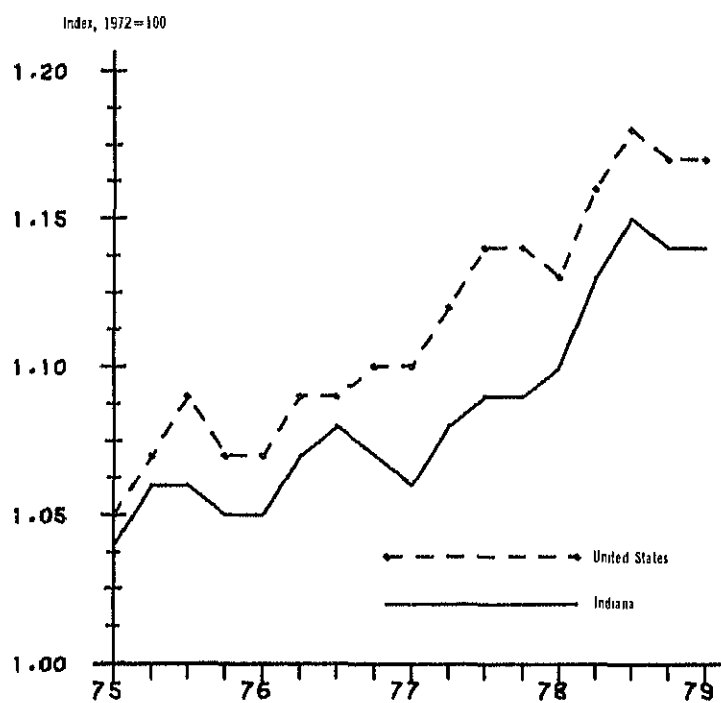


Chart 8.—Civilian Employment

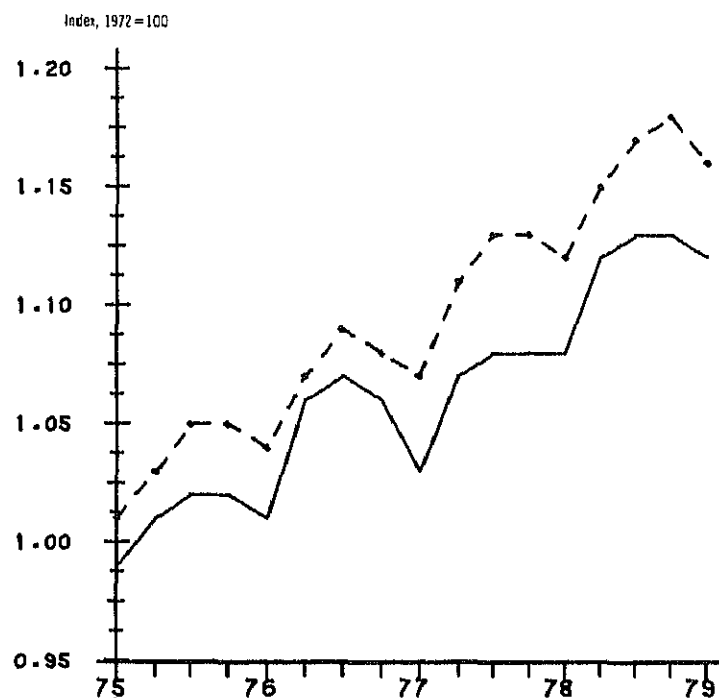


Chart 9.—Unemployment Rate

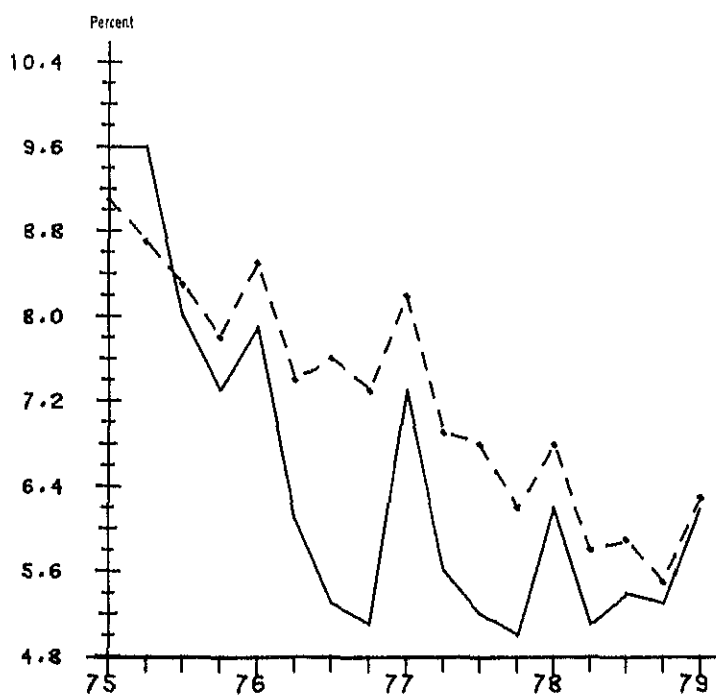
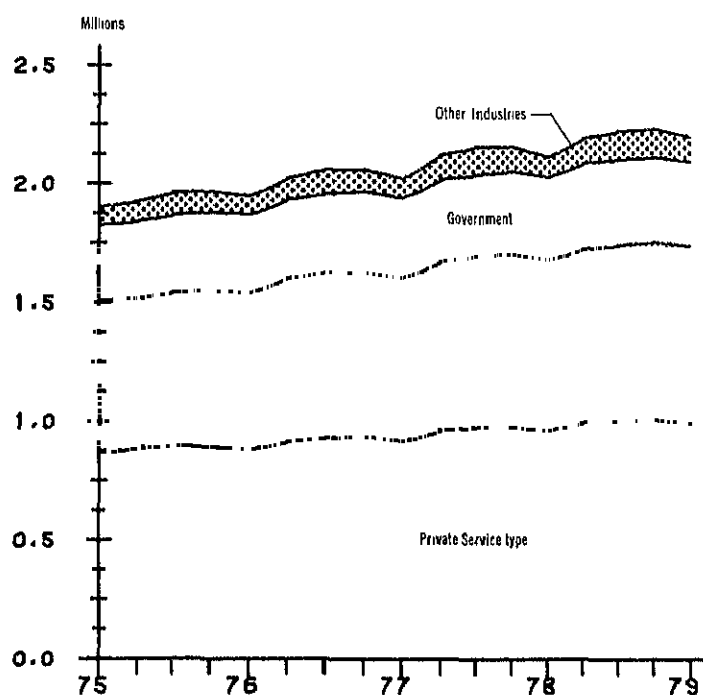


Chart 10.—Industrial Composition of Nonagricultural Employment: Indiana



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I—1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Indiana

	United States		Indiana				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977:IV-- 1978:IV		1978 I-- 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	13,691	14,098	15,396	n.a.	15.6	12.5	---	---
Commercial and industrial	202,241	na	2,962	3,190	3,250	na	13.3	9.7	---	---
Loans to individuals	143,356	na	3,722	3,763	4,162	na	18.7	11.8	---	---
Real estate	183,599	na	5,765	5,885	6,510	na	19.6	12.9	---	---
Residential	104,830	na	3,549	3,654	4,112	na	22.1	15.9	---	---
Farms	7,919	na	505	511	550	na	9.6	8.9	---	---
Other	70,851	na	1,711	1,720	1,848	na	17.0	8.0	---	---
Farms, excluding real estate	25,440	na	760	761	848	na	9.5	11.5	---	---
Other	64,581	na	482	499	626	na	7.9	29.9	---	---
Total deposits	911,772	n.a.	21,804	21,176	23,067	n.a.	9.3	5.8	---	---
Demand	344,245	na	7,493	6,281	7,604	na	5.6	1.5	---	---
Time and savings	567,527	na	14,312	14,895	15,463	na	11.9	8.0	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV—1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 12.5 percent from 1977:IV to 1978:IV in Indiana versus an increase of 15.6 percent in the Nation (table 5). In 1978:IV, Indiana's loans totaled \$15.4 billion, for an increase of \$1.7 billion since 1977:IV. The increase in each major loan category was smaller in the State than in the Nation. Commercial and industrial loans increased 9.7 percent versus 13.3 percent in the Nation. Indiana's percentage increase ranked 39th among all State increases. Loans to individuals increased

11.8 percent versus 18.7 percent in the Nation. Similarly, real estate loans increased 12.9 percent in the State versus 19.6 percent in the Nation. Indiana's increase ranked 42nd.

Total deposits increased 5.8 percent in Indiana from 1977:IV to 1978:IV, 3.5 percentage points less than in the Nation. In 1978:IV, deposits totaled \$23.1 billion, for an increase of \$1.3 billion since 1977:IV. Among all State percentage increases, Indiana's ranked 47th. Demand deposits increased 1.5 percent in the State versus 5.6 percent in the Nation. Time and savings deposits increased 8.0 percent versus 11.9 percent in the Nation. Indiana's increase ranked 46th.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 18.8 percent in Indiana versus 19.8 percent in the Nation (table 6). Among all States, Indiana's increase ranked 24th, and among the Great Lakes States, it ranked first. In 1979:I, contracts in the State totaled \$817 million, for an increase over the year of \$129 million. Increases in most major construction categories were smaller in Indiana than in the Nation.

Nationally, construction costs increased about 14 percent; if this national increase is representative of cost changes in Indiana, the real valuation of construction contracts would have increased about 5 percent versus about 6 percent nationally.

The residential housekeeping market was weak in Indiana. The valuation of contracts for residential additions and alterations increased 10.4 percent versus 17.9 percent in the Nation. The valuation of contracts for new residential housekeeping increased only 0.7 percent in Indiana, in contrast to an 11.8-percent increase in the Nation. Among all States, this increase ranked 32nd; two Great Lakes States—Michigan

and Ohio—had larger increases. The number of dwelling units started declined 14.7 percent (1,110 units), in sharp contrast to an increase of 2.6 percent in the Nation, to 6,417 units. Among all States, Indiana's change ranked 43rd; among the Great Lakes States, Indiana had the largest decline. Each Great Lakes State had a decline in the number of dwelling units started.

The valuation of nonbuilding contracts increased 15.3 percent in Indiana and 23.7 percent in the Nation. Part of the weakness was traceable to street and highway contracts, which declined 5.9 percent in valuation versus an increase of 61.2 percent nationally.

The valuation of nonresidential contracts increased 49.3 percent (\$83 million) in Indiana versus 28.0 percent in the Nation. Although the valuation of nonresidential contracts accounted for only somewhat more than 30 percent of the total valuation of contracts in the State in 1979:I, the increase in valuation from 1978:I to 1979:I accounted for nearly two-thirds of the State's total increase.

Chart 14.—Construction Contracts—Total Valuation

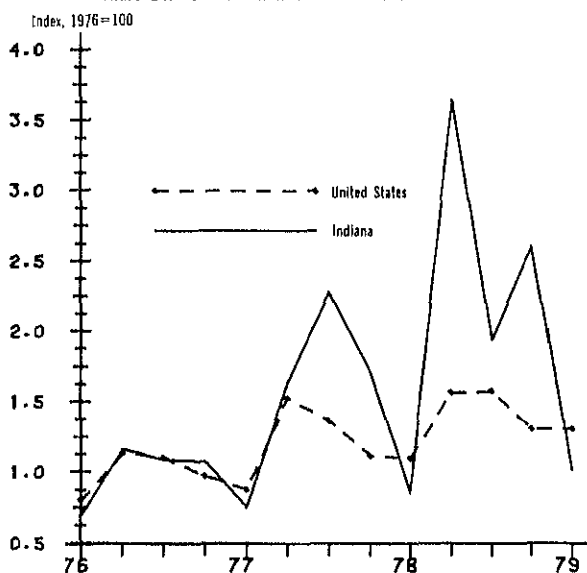


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Indiana

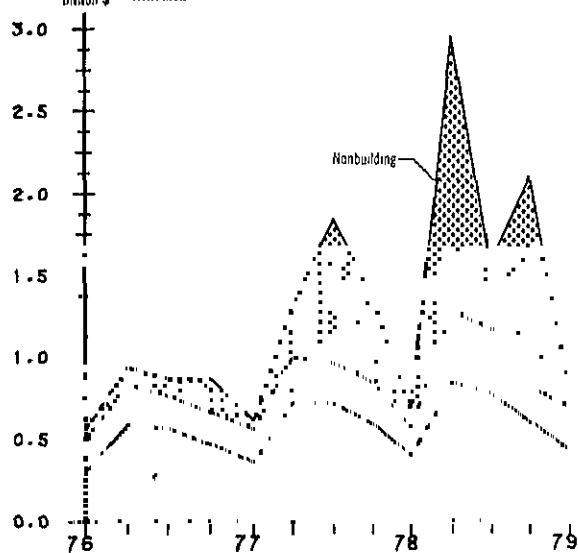


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

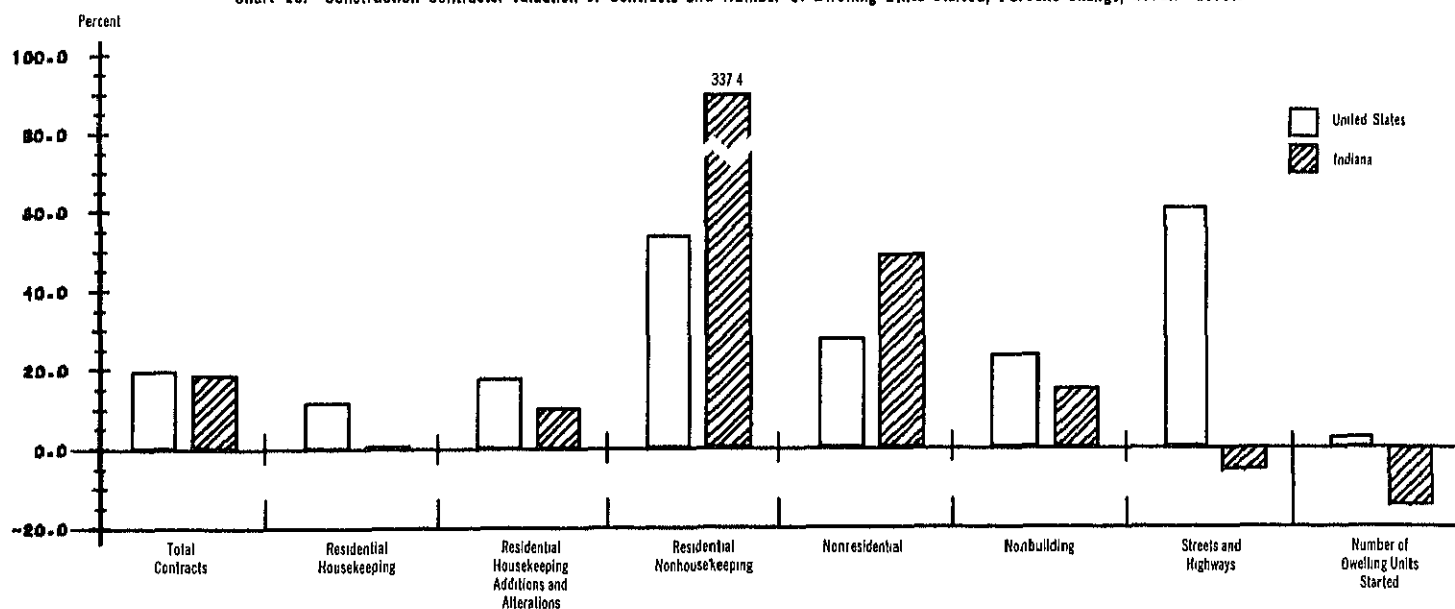


TABLE 6.—Construction Contracts, United States and Indiana¹

	United States		Indiana				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	1,388,558	688,286	2,101,562	817,436	16.8	51.3	19.8	18.8
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	210,864	140,302	221,150	154,841	14.6	4.9	17.9	10.4
All other contracts										
Number of contracts	53,028	53,454	2,095	1,422	1,739	1,465	-9.3	-17.0	8	3.0
Valuation (thousands of dollars)	32,202,931	38,675,376	1,177,694	547,984	1,880,412	662,595	17.3	59.7	20.1	20.9
Floor area (thousands of square feet)	807,538	904,811	24,074	15,249	20,717	16,630	10.3	-13.9	12.0	9.1
Residential housekeeping										
Number of contracts	13,592	14,399	409	342	382	363	-4.3	-6.6	5.9	6.1
Number of dwelling units	404,171	414,826	10,852	7,527	8,569	6,417	-2	-21.0	2.6	-14.7
Valuation (thousands of dollars)	13,806,696	15,431,523	371,706	254,713	373,556	256,522	15.6	5	11.8	.7
Floor area (thousands of square feet)	546,445	571,860	14,569	9,935	13,590	9,083	10.7	-6.7	4.7	-8.6
Residential nonhousekeeping										
Number of contracts	441	464	14	6	10	8	-4	-28.6	5.2	33.3
Valuation (thousands of dollars)	327,201	504,158	6,950	3,250	5,335	14,215	54.9	-23.2	54.1	337.4
Floor area (thousands of square feet)	8,179	11,483	225	107	175	367	34.7	-22.1	40.4	243.0
Nonresidential										
Number of contracts	25,282	23,514	1,310	714	950	703	-12.0	-27.5	-7.0	-1.5
Valuation (thousands of dollars)	9,056,146	11,595,243	250,610	169,290	213,909	252,702	16.3	-14.6	28.0	49.3
Floor area (thousands of square feet)	252,915	321,468	9,280	5,207	6,952	7,179	8.7	-25.1	27.1	37.9
Nonbuilding										
Number of contracts	13,713	15,077	362	360	397	391	-9.1	9.7	9.9	8.6
Valuation (thousands of dollars)	9,012,888	11,144,452	548,428	120,731	1,287,612	139,156	20.6	134.8	23.7	15.3
Streets and Highways										
Number of contracts	3,989	4,750	91	153	124	110	-17.8	36.3	19.1	-28.1
Valuation (thousands of dollars)	1,399,453	2,255,221	38,774	50,530	28,066	47,557	-18.1	-27.6	61.2	-5.9

1 Contracts started or expected to start within 60 days
2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Indiana totaled \$4.7 billion in 1979:I, up 20.1 percent increase (table 7). In 1979:I, nondurable goods accounted for \$3.0 billion (\$791 million) since 1978:I, compared with a 15.8-percent national lion of the total, and durable goods accounted for \$1.7 billion.

TABLE 7.—Retail Sales, United States and Indiana

	United States		Indiana				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978:IV	1979 I	1977:IV— 1978:IV	1978:I— 1979:I		
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	5,042	3,934	5,667	4,725	11.2	12.4	15.8	20.1
Durable goods	55,388	68,203	n.a.	n.a.	1,977	1,682	15.3	----	23.1	----
Nondurable goods	112,552	126,356	n.a.	n.a.	3,690	3,043	9.2	----	12.3	----

n.a., Data not available

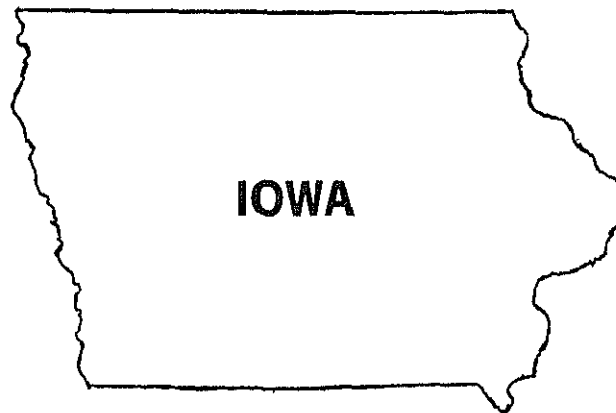
Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Indiana

	United States		Indiana				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978:IV	1979 I	1977:IV— 1978:IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,247	1,617	1,521	n.a.	13.2	22.0	---	---
Total number of business failures	1,729	n.a.	43	43	33	n.a.	-4.9	-23.3	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	7,766	8,833	5,211	n.a.	13.7	-32.9	---	---
Average liability per failure (thousands of dollars)	404	n.a.	181	205	158	n.a.	19.4	-12.7	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	2	3	3	n.a.	6.0	50.0	---	---
Construction	279	n.a.	18	9	8	n.a.	-8.2	-55.6	---	---
Wholesale trade	205	n.a.	3	4	4	n.a.	-6.3	33.3	---	---
Retail trade	769	n.a.	13	21	14	n.a.	-4	7.7	---	---
Commercial services	205	n.a.	7	6	3	n.a.	-23.5	-57.1	---	---

n.a., Data not available
Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 11.3% vs. 12.6% in U.S., to \$24.5 billion
- Farm personal income up 7.5% vs. 25.1% in U.S.
- Payrolls up 12.8% in private service-type industries vs. 12.6% in U.S.

Consumer prices

- Up 10.0% in Kansas City and 11.5% in Minneapolis-St. Paul vs. 9.9% in U.S.

Employment

- Up 1.3% vs. 3.8% in U.S., to 1.3 million

Unemployment

- Down 2,000 to 66,000
- Rate down to 4.8% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts down 42.0% vs. a 19.8% increase in U.S., to \$363.5 million
- Valuation of nonbuilding contracts down 79.8% vs. 23.7% increase in U.S.
- Number of dwelling-unit starts down 3.7% vs. 2.6% increase in U.S.

TABLE 1.—Summary of Economic Indicators, United States and Iowa

	United States		Iowa				U S	State	U S	State
	1978 I	1979: I	1977: IV	1978: I	1978: IV	1979: I	1977 IV— 1978 IV		1978: I— 1979: I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	20,858	22,043	23,683	24,531	12.6	13.5	12.6	11.3
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	11,781	12,194	13,364	13,743	12.6	13.4	12.8	12.7
Civilian employment (thousands)	91,401	94,901	1,339	1,297	1,369	1,314	3.9	2.2	3.8	1.3
Unemployment (thousands)	6,705	6,360	49	68	51	66	-8.8	3.7	-5.1	-2.8
Percent unemployed (unemployment/labor force)	6.8	6.3	3.5	5.0	3.6	4.8	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	9,308	9,495	10,453	n.a.	15.6	12.3	---	---
Total deposits (millions of dollars)	911,772	n.a.	14,225	14,304	15,606	n.a.	9.3	9.7	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	519,881	626,331	526,804	363,492	16.8	1.3	19.8	-42.0
Dwelling units started (number)	404,171	414,826	5,266	2,986	5,373	2,875	-2	2.0	2.6	-3.7
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	1,293	1,304	1,409	n.a.	13.2	9.0	---	---
Business failures (number)	1,729	n.a.	12	14	19	n.a.	-4.9	58.3	---	---
Consumer Price Index (1967=100):										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Kansas City	---	---	182.7	185.6	198.1	204.2	---	8.4	---	10.0
Minneapolis-St. Paul	---	---	187.0	190.5	207.7	212.5	---	11.1	---	11.5

n.a.: Data not available

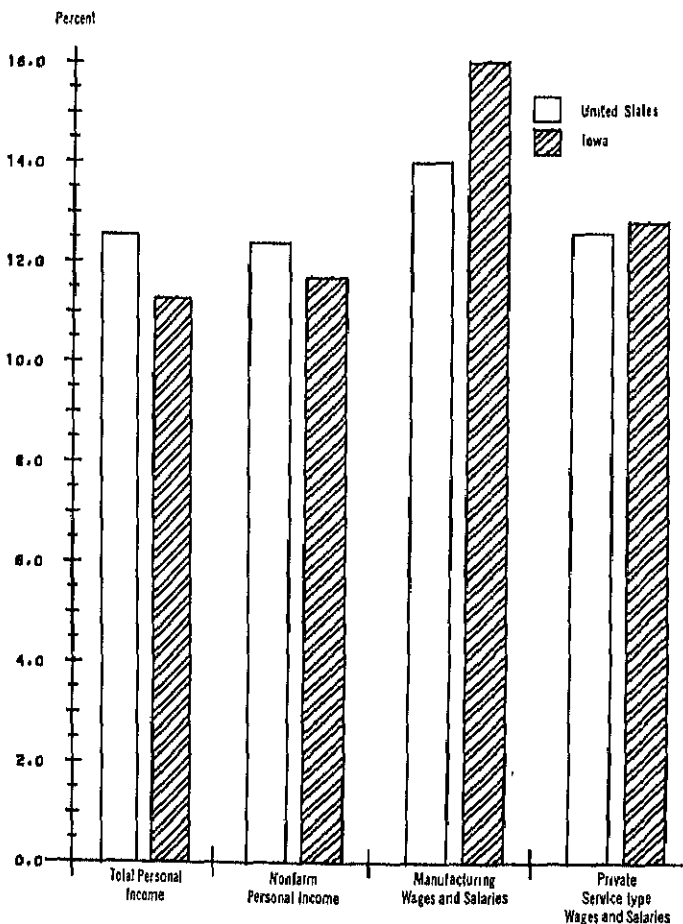
Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Iowa increased 11.3 percent from 1978:I to 1979:I, compared with 12.6 percent in the Nation (table 2). In 1979:I, personal income in the State totaled \$24.5 billion, up \$2.5 billion since 1978:I. Iowa's farm personal income, which accounted for about 10 percent of total income in 1979:I (more than in most States), increased only 7.5 percent from year to year, compared with 25.1 percent nationally. The increase in nonfarm personal income was 11.7 percent versus 12.4 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



During the same timespan, the Consumer Price Indexes for the Kansas City and Minneapolis-St. Paul metropolitan areas increased 10.0 percent and 11.5 percent, respectively, compared with a 9.9-percent national city average increase (table 3). If an average of the two area indexes is used as an indicator for price movements in the State, real total personal income in Iowa increased only 0.5 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 12.7 percent (to \$13.7 billion) versus 12.8 percent nationally. Transportation-communication-public utilities payrolls increased 8.1 percent, more than 3 percentage points less than nationally. State and local government payrolls increased only 3.9 percent, compared with 6.1 percent nationally. Both increases were among the 10 smallest in the Nation.

In contrast, durables manufacturing payrolls increased 19.1 percent versus 16.2 percent nationally, and nondurables manufacturing payrolls increased 10.4 percent versus 9.9 percent nationally. Similarly, payrolls in trade and services increased at higher rates than their national counterparts. Together, increases in manufacturing, trade, and services payrolls accounted for about 72 percent of the increase in total payrolls in the State.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

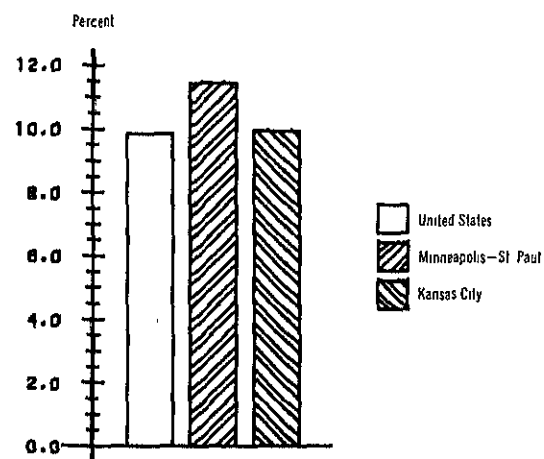


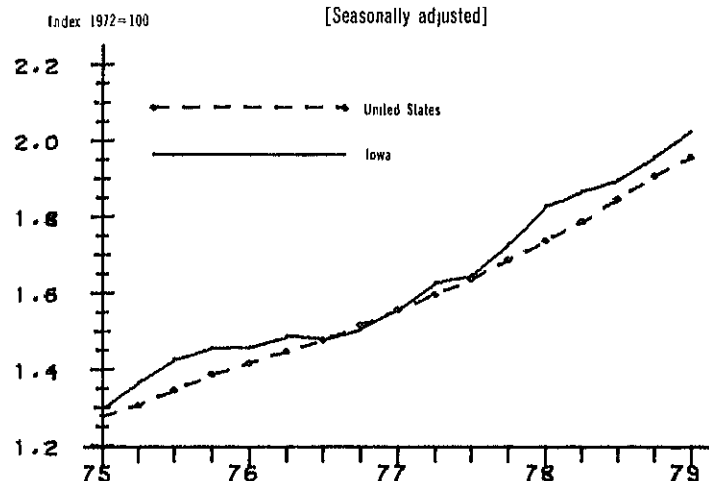
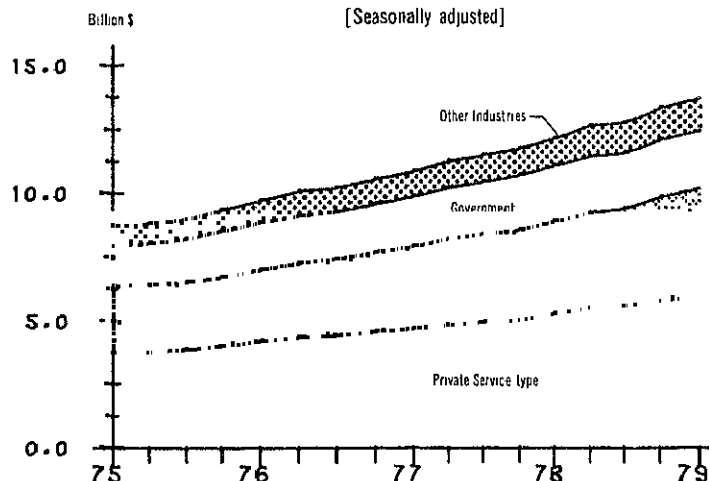
Chart 3.—Total Personal Income
[Seasonally adjusted]Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

TABLE 2.—Personal Income, United States and Iowa

	United States		Iowa				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV		1978:I— 1979:I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ¹			
Total personal income	1,624,665	1,829,515	20,858	22,043	23,683	24,531	12.6	13.5	12.6	11.3
Farm personal income	32,083	40,141	1,541	2,162	1,963	2,325	26.3	27.4	25.1	7.5
Nonfarm personal income	1,592,582	1,789,374	19,318	19,881	21,720	22,206	12.3	12.4	12.4	11.7
Total personal income	1,624,665	1,829,515	20,858	22,043	23,683	24,531	12.6	13.5	12.6	11.3
Wage and salary disbursements	1,042,716	1,176,598	11,781	12,194	13,364	13,743	12.6	13.4	12.8	12.7
Other labor income	99,957	115,833	1,114	1,164	1,296	1,338	16.4	16.4	15.9	15.0
Proprietors' income	108,808	126,535	2,702	3,364	3,299	3,645	18.9	22.1	16.3	8.3
Farm	24,448	31,221	1,287	1,906	1,677	2,020	31.3	30.3	27.7	6.0
Nonfarm	84,360	95,314	1,414	1,458	1,623	1,624	15.3	14.7	13.0	11.4
Dividends, interest, and rent	221,191	250,595	3,409	3,512	3,799	3,927	12.8	11.4	13.3	11.8
Transfer payments	219,202	238,794	2,548	2,567	2,744	2,780	8.2	7.7	8.9	8.3
State unemployment insurance benefits	9,997	8,023	140	112	107	91	-30.3	-23.9	-19.7	-18.9
Less personal contributions	66,792	78,351	793	855	920	1,004	15.1	16.1	17.3	17.3
Plus residence adjustment	-417	-489	98	96	100	102	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	11,781	12,194	13,364	13,743	12.6	13.4	12.8	12.7
Farm	7,215	8,422	246	248	277	295	10.6	12.7	16.7	18.8
Nonfarm	1,035,501	1,168,176	11,535	11,946	13,087	13,448	12.6	13.5	12.8	12.6
Mining	12,013	19,166	31	31	41	37	33.9	33.6	59.5	21.1
Construction	56,564	68,593	751	783	891	917	20.1	18.7	21.3	17.1
Manufacturing	285,735	325,636	3,582	3,637	4,083	4,219	13.3	14.0	14.0	16.0
Durable goods	182,321	211,944	2,326	2,336	2,665	2,783	15.2	14.6	16.2	19.1
Nondurable goods	103,414	113,692	1,256	1,301	1,419	1,436	10.0	13.0	9.9	10.4
Private service type	473,132	532,823	5,023	5,292	5,785	5,968	13.1	15.2	12.6	12.8
Transportation, communication, and public utilities	79,598	88,755	823	873	907	944	11.3	10.2	11.5	8.1
Wholesale and retail trade	177,331	201,608	2,174	2,285	2,561	2,632	14.1	17.8	13.7	15.2
Finance, insurance, and real estate	55,930	63,373	600	616	676	693	13.2	12.8	13.3	12.5
Services	160,273	179,087	1,426	1,518	1,641	1,698	12.7	15.0	11.7	11.9
Government	204,558	218,008	2,124	2,175	2,259	2,277	6.9	6.3	6.6	4.7
Federal	68,698	73,916	353	356	384	387	7.1	8.9	7.6	8.8
State and local	135,860	144,092	1,771	1,820	1,875	1,890	6.8	5.9	6.1	3.9
Other	3,499	3,950	25	27	28	29	14.6	9.6	12.9	8.0

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Iowa¹

	United States		Iowa				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV		1978:I— 1979:I	
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Kansas City	---	---	182.7	185.6	198.1	204.2	---	8.4	---	10.0
Minneapolis—St. Paul	---	---	187.0	190.5	207.7	212.5	---	11.1	---	11.5

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time

Labor Force

From 1978:I to 1979:I, Iowa's civilian labor force increased 1.1 percent versus 3.2 percent nationally (table 4). Only five States and the District of Columbia registered smaller percentage increases during this timespan. Total employment increased 1.3 percent versus 3.8 percent nationally, to 1.3 million. Iowa's percentage increase was the smallest in the Nation.

With the labor force increasing 15,000 and employment increasing 17,000, the number of unemployed declined 2,000, to 66,000. Iowa's unemployment rate declined 0.2 percentage point, to 4.8 percent of the labor force, compared with 6.3 percent nationally.

Among the State's major metropolitan areas, preliminary unemployment rates for March 1979, when the State's rate was 4.4 percent, ranged from 3.9 percent in Cedar Rapids to 7.1 percent in Sioux City. In Des Moines, the State's largest metropolitan area, the unemployment rate was 4.1 percent, down 0.3 percentage point since March 1978. From March 1978 to March 1979, the unemployment rate was unchanged in Cedar Rapids, Dubuque, and Waterloo-Cedar Falls and was up 0.8 percentage point in Sioux City.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Iowa

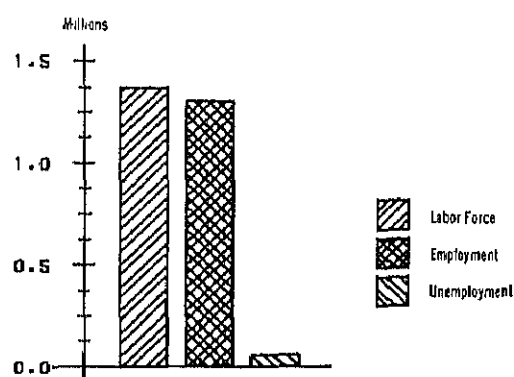


Chart 6.—Unemployment Rates, 1978:I—1979:I

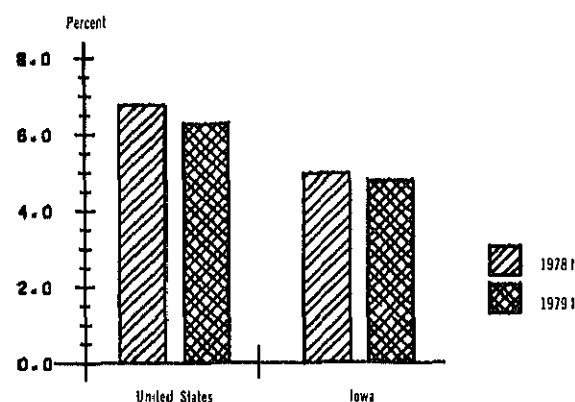


TABLE 4.—Labor Force, United States and Iowa

	United States		Iowa				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV		1978 I-- 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls ...	84,207	86,680	1,102	1,080	1,126	1,106	4.2	2.2	2.9	2.4
Mining ..	730	896	3	2	2	2	14.4	-4.0	22.7	-5.0
Construction ..	3,784	3,973	60	47	60	47	11.2	-1.5	5.0	6
Manufacturing ..	20,064	20,652	249	247	255	257	3.6	2.1	2.9	3.9
Transportation, communication, and public utilities ..	4,779	4,943	56	55	56	56	4.4	1.4	3.4	2.0
Wholesale and retail trade ..	18,937	19,549	282	273	288	280	4.5	2.2	3.2	2.5
Finance, insurance, and real estate ..	4,601	4,790	53	54	56	56	5.2	4.9	4.1	4.3
Services ..	15,758	16,149	190	191	198	198	4.4	4.2	2.5	3.4
Government ..	15,435	15,648	209	211	211	210	1.4	1.0	1.4	-5
Civilian labor force ³ ..	98,106	101,260	1,388	1,365	1,420	1,380	3.1	2.3	3.2	1.1
Total employed ..	91,401	94,901	1,339	1,297	1,369	1,314	3.9	2.2	3.8	1.3
Total unemployed ..	6,705	6,360	49	68	51	66	-8.8	3.7	-5.1	-2.8
Percent unemployed ..	6.8	6.3	3.5	5.0	3.6	4.8	---	---	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

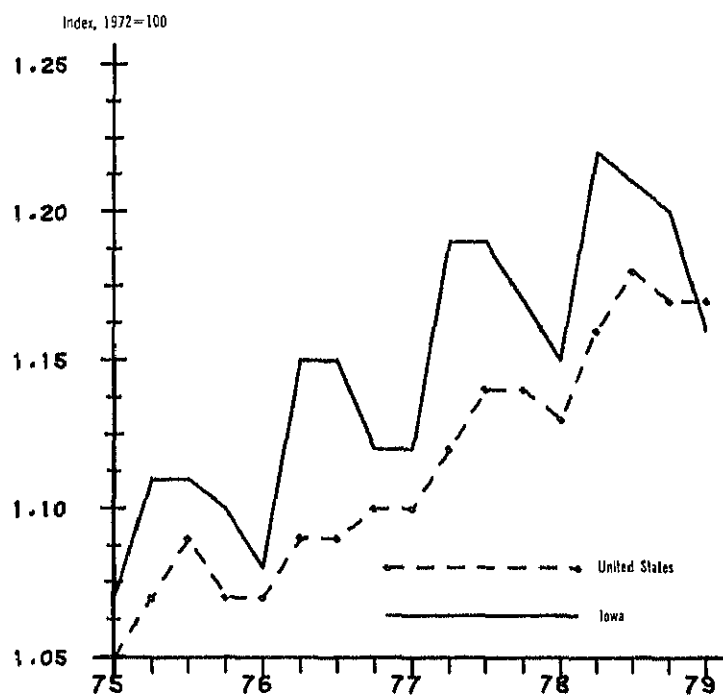


Chart 8.—Civilian Employment

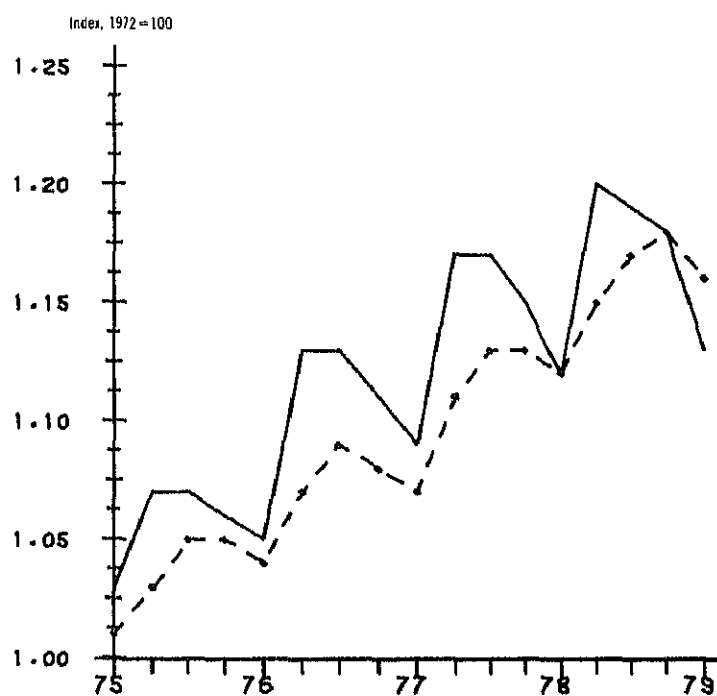


Chart 9.—Unemployment Rate

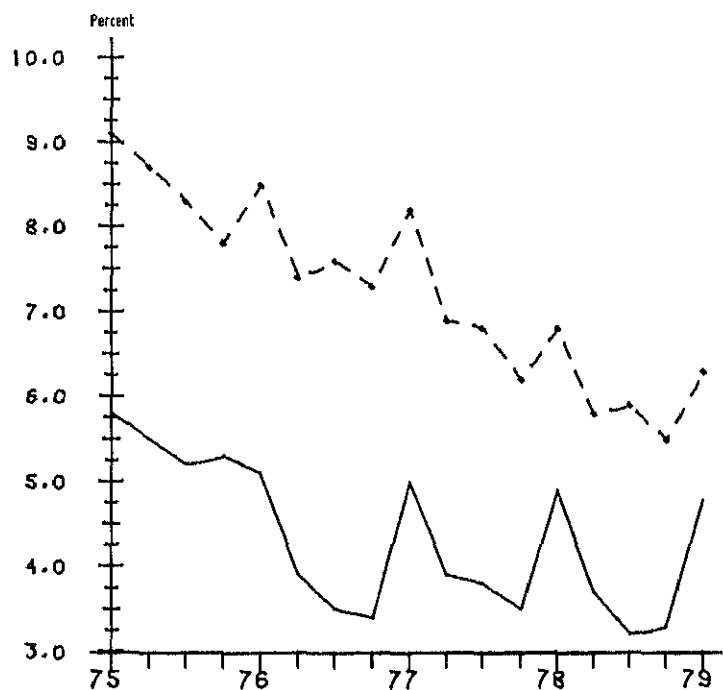
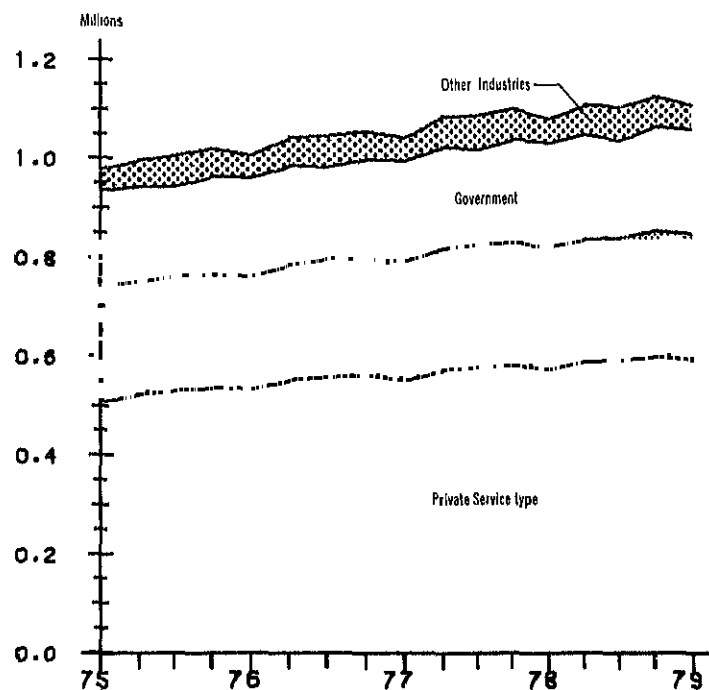


Chart 10.—Industrial Composition of Nonagricultural Employment: Iowa



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Iowa

	United States		Iowa				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	9,308	9,495	10,453	n.a.	15.6	12.3	---	---
Commercial and industrial	202,241	na	1,868	2,010	2,074	n.a.	13.3	11.0	---	---
Loans to individuals	143,356	na	1,758	1,765	1,981	n.a.	18.7	12.7	---	---
Real estate	183,599	na	2,624	2,722	3,071	n.a.	19.6	17.0	---	---
Residential	104,830	na	1,548	1,612	1,865	n.a.	22.1	20.5	---	---
Farms	7,919	na	330	335	356	n.a.	9.6	7.7	---	---
Other	70,851	na	745	775	850	n.a.	17.0	14.0	---	---
Farms, excluding real estate	25,440	na	2,779	2,713	3,024	n.a.	9.5	8.8	---	---
Other	64,581	na	279	285	303	n.a.	7.9	8.4	---	---
Total deposits	911,772	n.a.	14,225	14,304	15,606	n.a.	9.3	9.7	---	---
Demand	344,245	na	4,484	4,152	4,836	n.a.	5.6	7.8	---	---
Time and savings	567,527	na	9,741	10,152	10,770	n.a.	11.9	10.6	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in Iowa increased 12.3 percent from 1977:IV to 1978:IV, compared with a 15.6-percent national increase (table 5). In 1978:IV, bank loans in the State totaled \$10.5 billion, up \$1.1 billion since 1977:IV. Real estate loans, the largest category in the State, increased 17.0 percent versus 19.6 percent nationally. Farm loans, excluding real estate, the second largest category in the State, increased 8.8 percent

versus 9.5 percent nationally. Commercial and industrial loans increased 11.0 percent versus 13.3 percent nationally, and loans to individuals increased 12.7 percent, 6 percentage points less than nationally.

Total deposits in Iowa increased 9.7 percent, 0.4 percentage point more than nationally. In 1978:IV, bank deposits totaled \$15.6 billion, up almost \$1.4 billion since 1977:IV. Demand deposits in Iowa increased 7.8 percent versus 5.6 percent nationally, while time and savings deposits increased 10.6 percent versus 11.9 percent nationally.

From 1978:I to 1979:I, the total valuation of construction contracts declined 42.0 percent (\$262.8 million), to \$363 million (table 6). Construction contracts in the Nation increased 19.8 percent in valuation during the same timespan. Iowa's percentage decline, one of the largest in the Nation, was due to a \$300 million contract in 1978:I for the construction of an electric generating plant in Wapello County, which raised the State's total valuation of construction contracts to an unusually high level. Thus, the subsequent year-to-year change in total contract valuation was distorted. Excluding the electric generating plant contract, the total valuation of contracts would have increased 11.4 percent from year to year in the State, about 8 percentage points less than nationally.

National construction costs increased about 14 percent from 1978:I to 1979:I, and if this national increase is representative of the cost increase throughout Iowa, the total real valuation of construction contracts (excluding the electric generating plant contract) would have declined about 3 percent, compared with a real increase of about 6 percent nationally.

Primarily reflecting the electric generating plant contract, the valuation of nonbuilding contracts declined 79.8 percent in the State versus a national increase of 23.7 percent. The street and highway component of

nonbuilding contracts increased only 9.5 percent in valuation, compared with a 61.2-percent increase in the Nation.

The valuation of residential housekeeping contracts declined 6.3 percent (\$7.0 million) versus a national increase of 11.8 percent. Iowa's decline was among the largest in the Nation. The number of dwelling units started declined 3.7 percent in the State, to 2,875 units, versus an increase of 2.6 percent in the Nation.

The valuation of nonresidential contracts increased 11.3 percent (\$7.1 million), less than one-half of the national rate of increase.

In contrast, residential nonhousekeeping contracts increased 485.4 percent (\$19.6 million), compared with a 54.1-percent increase in the Nation. In 1979:I, a \$22 million contract for the construction of hotels and/or motels in Polk County raised the State's residential nonhousekeeping valuation to an unusually high level, thus distorting the year-to-year change. If the Polk County contract had not been awarded, the valuation of residential nonhousekeeping contracts in Iowa would have declined about 60 percent from year to year.

Additions and alterations to residential housekeeping units in the State increased 18.4 percent in valuation (\$13.9 million), slightly above the national rate of 17.9 percent.

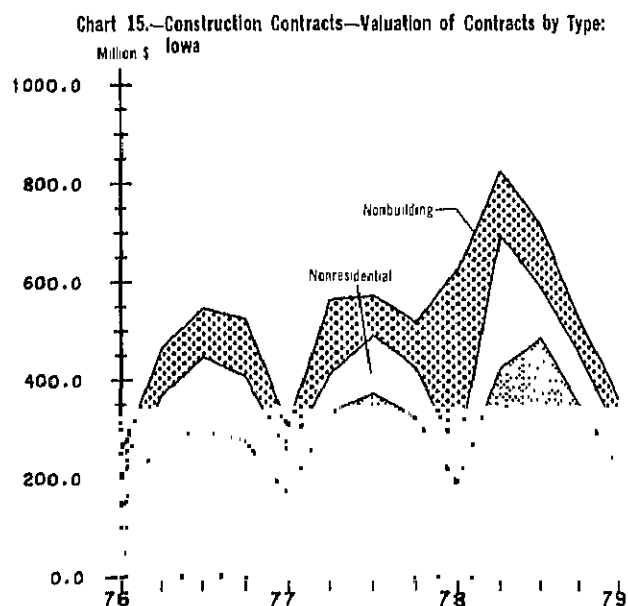
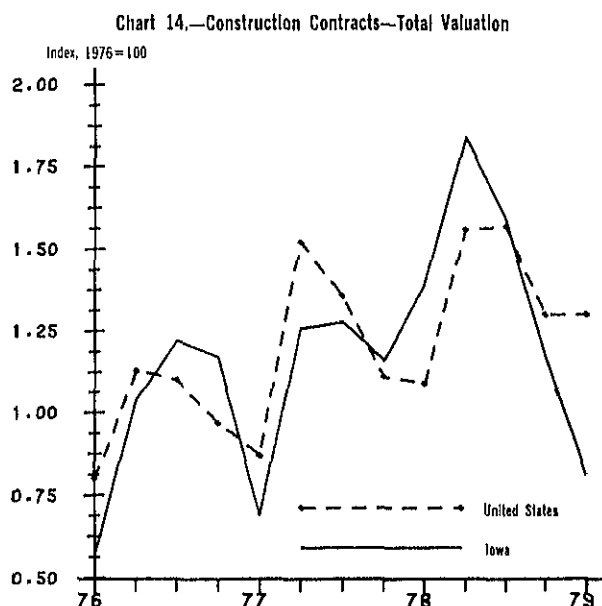


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

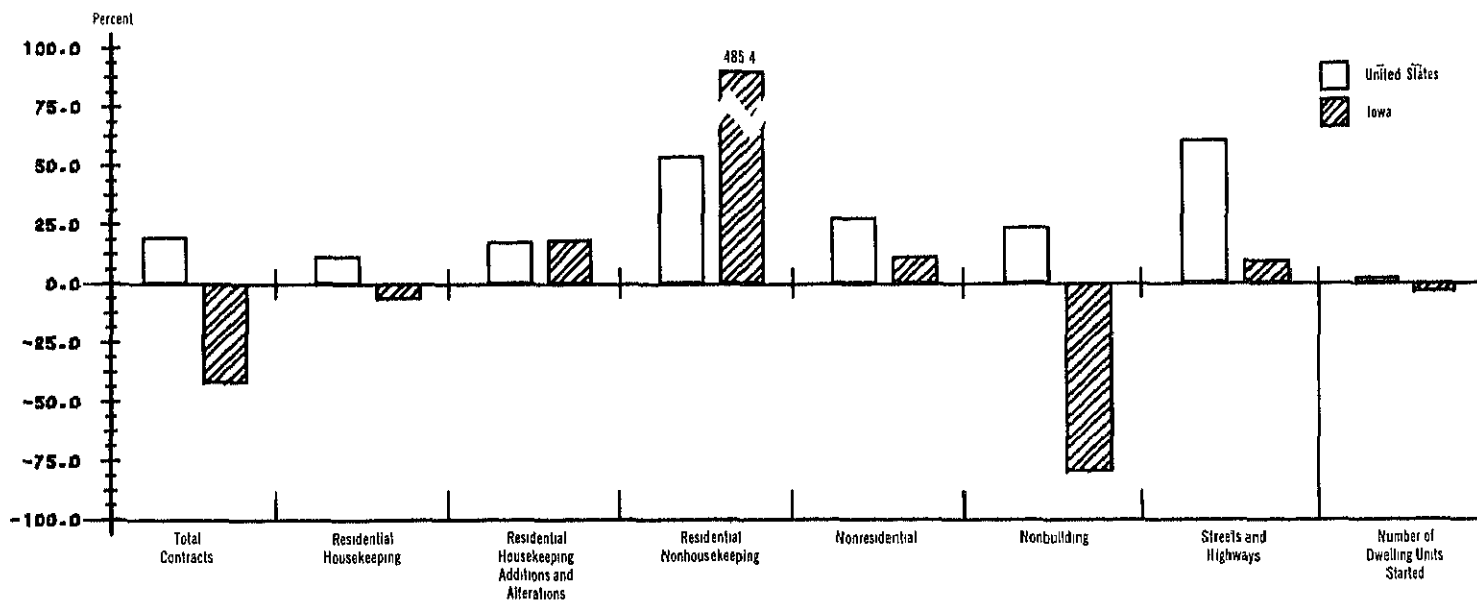


TABLE 6.—Construction Contracts, United States and Iowa¹

	United States		Iowa				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
								Percent change ²		
Not seasonally adjusted							Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	519,881	626,331	526,804	363,492	16.8	1.3	19.8	-42.0
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	128,508	75,841	129,004	89,816	14.6	4	17.9	18.4
All other contracts										
Number of contracts	53,028	53,454	1,057	865	975	848	-9.3	-7.8	8	-2.0
Valuation (thousands of dollars)	32,202,931	38,675,376	391,373	550,490	397,800	273,676	17.3	1.6	20.1	-50.3
Floor area (thousands of square feet)	807,538	904,811	10,833	6,007	11,317	6,109	10.3	4.5	12.0	1.7
Residential housekeeping										
Number of contracts	13,592	14,399	405	350	386	365	-4.3	-4.7	5.9	4.3
Number of dwelling units	404,171	414,826	5,266	2,986	5,373	2,875	-2	2.0	2.6	-3.7
Valuation (thousands of dollars)	13,806,696	15,431,523	190,029	112,359	222,278	105,323	15.6	17.0	11.8	-6.3
Floor area (thousands of square feet)	546,445	571,860	7,080	4,180	7,977	3,775	10.7	12.7	4.7	-9.7
Residential nonhousekeeping										
Number of contracts	441	464	7	9	5	6	-4	-28.6	5.2	-33.3
Valuation (thousands of dollars)	327,201	504,158	5,666	4,030	1,630	23,590	54.9	-71.2	54.1	485.4
Floor area (thousands of square feet)	8,179	11,483	152	114	19	352	34.7	-87.6	40.4	209.4
Nonresidential										
Number of contracts	25,282	23,514	372	241	332	218	-12.0	-10.8	-7.0	-9.5
Valuation (thousands of dollars)	9,056,146	11,595,243	101,063	62,649	104,333	69,709	16.3	3.2	28.0	11.3
Floor area (thousands of square feet)	252,915	321,468	3,601	1,713	3,322	1,982	8.7	-7.8	27.1	15.7
Nonbuilding										
Number of contracts	13,713	15,077	273	265	252	259	-9.1	-7.7	9.9	-2.3
Valuation (thousands of dollars)	9,012,888	11,144,452	94,615	371,452	69,559	75,054	20.6	-26.5	23.7	-79.8
Streets and Highways										
Number of contracts	3,989	4,750	77	92	60	81	-17.8	-22.1	19.1	-12.0
Valuation (thousands of dollars)	1,399,453	2,255,221	31,725	31,550	26,161	34,559	-18.1	-17.5	61.2	9.5

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Iowa are not available.

TABLE 7.—Retail Sales, United States and Iowa

	United States		Iowa				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

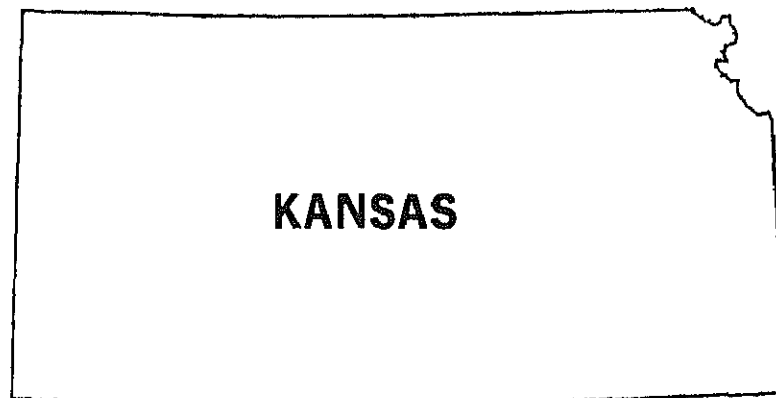
Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Iowa

	United States		Iowa				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,293	1,304	1,409	n.a.	13.2	9.0	---	---
Total number of business failures	1,729	n.a.	12	14	19	n.a.	-4.9	58.3	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	4,341	1,600	5,216	n.a.	13.7	20.2	---	---
Average liability per failure (thousands of dollars)	404	n.a.	362	114	275	n.a.	19.4	-24.0	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	1	2	4	n.a.	6.0	300.0	---	---
Construction	279	n.a.	2	3	3	n.a.	-8.2	50.0	---	---
Wholesale trade	205	n.a.	0	0	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	8	6	13	n.a.	-4	62.5	---	---
Commercial services	205	n.a.	1	3	2	n.a.	-23.5	100.0	---	---

n.a. Data not available
 Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 14.0% vs. 12.6% in U.S., to \$20.2 billion
- Payrolls up 33.1% in durables manufacturing vs. 16.2% in U.S.
- Payrolls up 15.3% in transportation-communication-public utilities vs. 11.5% in U.S.

Consumer prices

- Up 10.0% in Kansas City vs. 9.9% in U.S.

Employment

- Up 4.8% vs. 3.8% in U.S., to 1.1 million

Unemployment

- Down 5,000, to 37,000
- Rate down to 3.2% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up 42.7% vs. 19.8% in U.S., to \$426.3 million
- Valuation of nonresidential contracts up 120.5% vs. 28.0% in U.S.
- Number of dwelling-unit starts down 5.2% vs. 2.6% increase in U.S.

TABLE 1.—Summary of Economic Indicators, United States and Kansas

	United States		Kansas				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	17,848	17,757	20,040	20,234	12.6	12.3	12.6	14.0
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	9,558	9,871	10,815	11,362	12.6	13.2	12.8	15.1
Civilian employment (thousands)	91,401	94,901	1,084	1,081	1,132	1,132	3.9	4.4	3.8	4.8
Unemployment (thousands)	6,705	6,360	43	42	32	37	-8.8	-25.2	-5.1	-11.0
Percent unemployed (unemployment/labor force)	6.8	6.3	3.8	3.7	2.8	3.2	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	6,606	6,757	7,553	n.a.	15.6	14.3	---	---
Total deposits (millions of dollars)	911,772	n.a.	10,804	10,650	11,705	n.a.	9.3	8.3	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	482,036	298,637	500,442	426,280	16.8	3.8	19.8	42.7
Dwelling units started (number)	404,171	414,826	4,534	3,451	4,723	3,271	-2	4.2	2.6	-5.2
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	993	1,007	1,084	n.a.	13.2	9.2	---	---
Business failures (number)	1,729	n.a.	22	9	17	n.a.	-4.9	-22.7	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Kansas City	---	---	182.7	185.6	198.1	204.2	---	8.4	---	10.0

n.a. Data not available

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Kansas increased 14.0 percent from 1978:I to 1979:I versus 12.6 percent nationally (table 2). In 1979:I, the State's personal income totaled \$20.2 billion, up \$2.5 billion since 1978:I. Kansas' farm personal income increased 28.6 percent versus 25.1 percent nationally, and nonfarm personal income increased 13.4 percent versus 12.4 percent nationally.

During the same timespan, the Consumer Price Index for the Kansas City metropolitan area increased 10.0 percent, 0.1 percentage point

more than the national city average increase (table 3). If Kansas City's index is used as an indicator for price movements throughout the State, real total personal income increased 4.0 percent, compared with 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 15.1 percent in the State versus 12.8 percent in the Nation. Kansas' percentage increase, the ninth largest in the Nation, brought payrolls to \$11.4 billion, up \$1.5 billion since 1978:I. Durables manufacturing payrolls increased 33.1 percent, more than in any other State and twice the national increase. The increase in nondurables manufacturing payrolls also outpaced that in the Nation—16.1 percent versus 9.9 percent. The increase in total manufacturing payrolls accounted for almost one-half of the increase in total payrolls in the State from 1978:I to 1979:I.

As a group, Kansas' private service-type industries registered a 12.7-percent increase in payrolls, compared with 12.6 percent nationally. Payroll increases in transportation-communication-public utilities and finance-insurance-real estate exceeded those in the Nation, and payroll increases in trade and services lagged those in the Nation.

State and local government payrolls increased only 2.9 percent versus 6.1 percent nationally; only five States registered smaller percentage changes.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

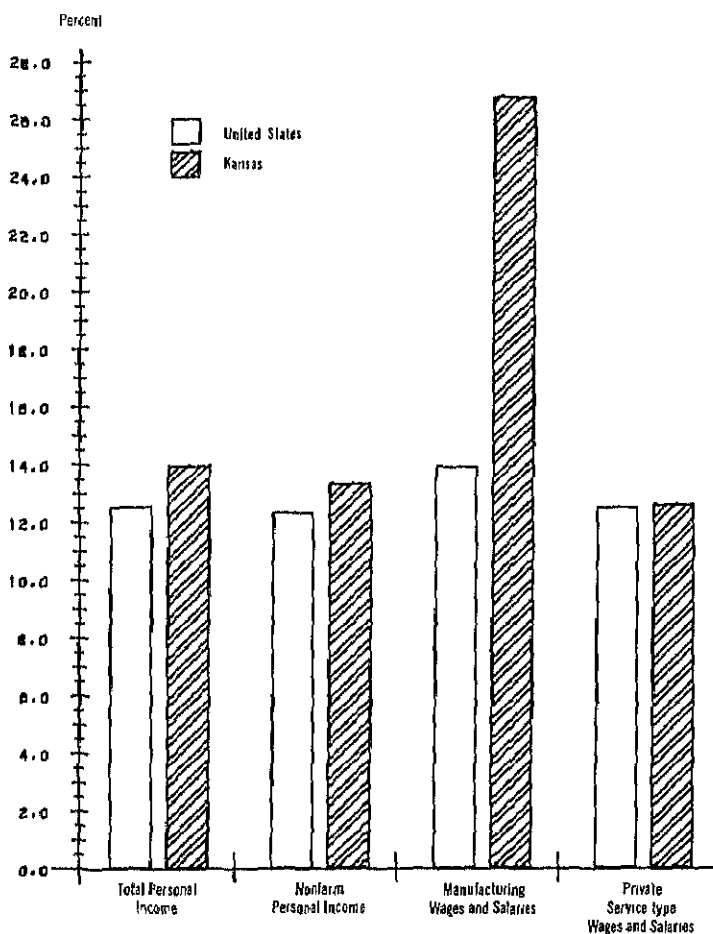


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

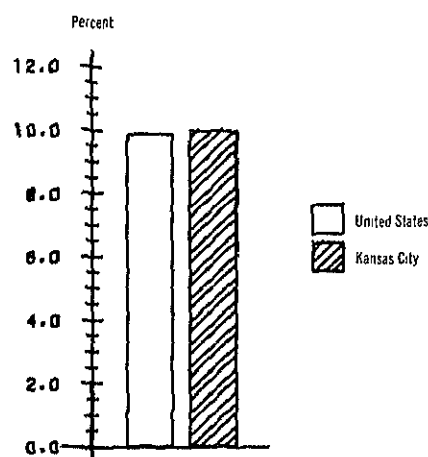


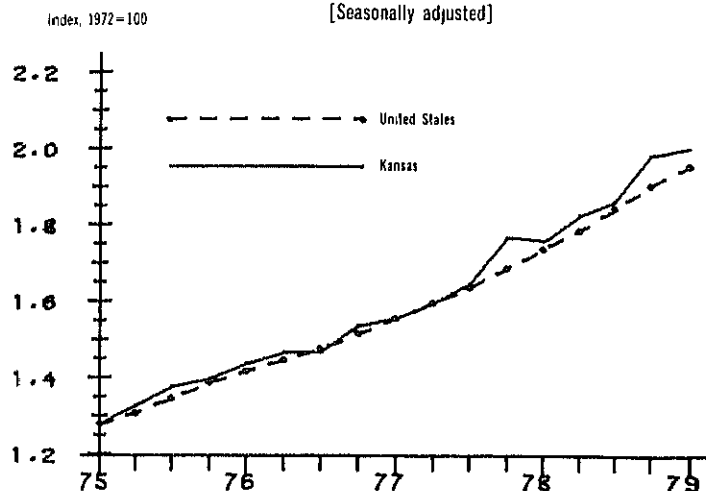
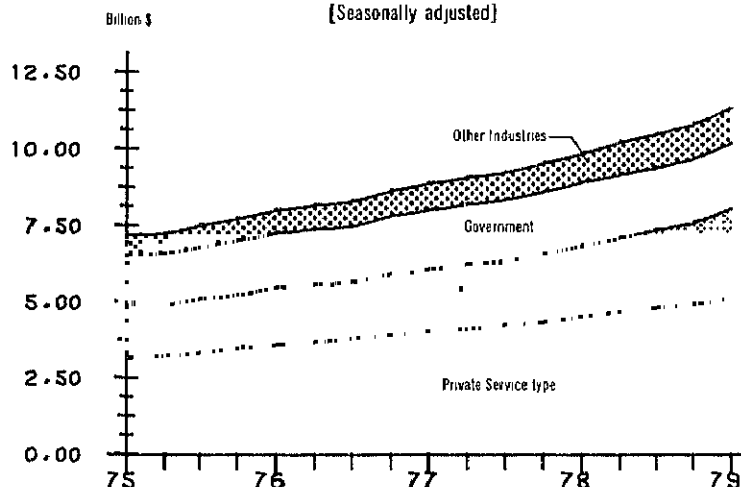
Chart 3.—Total Personal Income
[Seasonally adjusted]Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

TABLE 2.—Personal income, United States and Kansas

	United States		Kansas				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	17,848	17,757	20,040	20,234	12.6	12.3	12.6	14.0
Farm personal income ..	32,083	40,141	1,217	676	1,325	870	26.3	8.9	25.1	28.6
Nonfarm personal income ..	1,592,582	1,789,374	16,631	17,080	18,715	19,364	12.3	12.5	12.4	13.4
Total personal income	1,624,665	1,829,515	17,848	17,757	20,040	20,234	12.6	12.3	12.6	14.0
Wage and salary disbursements ..	1,042,716	1,176,598	9,558	9,871	10,815	11,362	12.6	13.2	12.8	15.1
Other labor income ..	99,957	115,833	928	971	1,098	1,171	16.4	18.3	15.9	20.5
Proprietors' income ..	108,808	126,535	2,317	1,816	2,622	2,154	18.9	13.2	16.3	18.6
Farm ..	24,448	31,221	1,074	533	1,166	701	31.3	8.6	27.7	31.6
Nonfarm ..	84,360	95,314	1,243	1,283	1,456	1,453	15.3	17.2	13.0	13.3
Dividends, interest, and rent ..	221,191	250,595	2,862	2,948	3,200	3,311	12.8	11.8	13.3	12.3
Transfer payments ..	219,202	238,794	2,125	2,146	2,297	2,336	8.2	8.1	8.9	8.9
State unemployment insurance benefits ..	9,997	8,023	80	60	51	44	-30.3	-36.8	-19.7	-26.4
Less personal contributions ..	66,792	78,351	711	766	829	928	15.1	16.6	17.3	20.9
Plus residence adjustment ..	-417	-489	769	771	837	826	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	9,558	9,871	10,815	11,362	12.6	13.2	12.8	15.1
Farm ..	7,215	8,422	139	140	154	164	10.6	11.3	16.7	17.4
Nonfarm ..	1,035,501	1,168,176	9,419	9,732	10,661	11,198	12.6	13.2	12.8	15.1
Mining ..	12,013	19,166	170	160	215	214	33.9	26.5	59.5	33.9
Construction ..	56,564	68,593	598	613	722	724	20.1	20.8	21.3	18.2
Manufacturing ..	285,735	325,636	2,238	2,328	2,664	2,954	13.3	19.0	14.0	26.9
Durable goods ..	182,321	211,944	1,416	1,470	1,758	1,957	15.2	24.2	16.2	33.1
Nondurable goods ..	103,414	113,692	823	858	906	997	10.0	10.2	9.9	16.1
Private service type ..	473,132	532,823	4,357	4,541	4,916	5,119	13.1	12.8	12.6	12.7
Transportation, communication, and public utilities ..	79,598	88,755	904	931	1,001	1,074	11.3	10.7	11.5	15.3
Wholesale and retail trade ..	177,331	201,608	1,750	1,832	2,001	2,062	14.1	14.4	13.7	12.5
Finance, insurance, and real estate ..	55,930	63,373	472	476	528	546	13.2	11.7	13.3	14.6
Services ..	160,273	179,087	1,231	1,301	1,386	1,437	12.7	12.7	11.7	10.5
Government ..	204,558	218,008	2,030	2,062	2,115	2,157	6.9	4.2	6.6	4.6
Federal ..	68,698	73,916	711	717	757	774	7.1	6.5	7.6	7.9
State and local ..	135,860	144,092	1,320	1,345	1,359	1,383	6.8	2.9	6.1	2.9
Other ..	3,499	3,950	26	28	28	30	14.6	9.6	12.9	8.0

1 Detail may not add to totals because of rounding
2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price index, United States and Kansas¹

	United States		Kansas				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ² ..	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Kansas City ..	---	---	182.7	185.6	198.1	204.2	---	8.4	---	10.0

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2 Average for 85 representative urban areas based on the 1970 Census of Population
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Kansas' civilian labor force increased 4.2 percent, 1 percentage point more than nationally (table 4). Total employment increased 4.8 percent versus 3.8 percent nationally, to about 1.1 million.

With the labor force increasing about 46,000 and total employment increasing about 51,000, the number of unemployed declined about 5,000, to 37,000. The State's unemployment rate in 1979:I was down 0.5

percentage point, to 3.2 percent of the labor force, compared with 6.3 percent nationally. Only Nebraska had a lower unemployment rate in 1979:I.

According to preliminary data for March 1979, when the State's unemployment rate was 2.9 percent, the unemployment rate was 3.7 percent in the Topeka metropolitan area and 2.9 percent in Wichita.

Chart 5—Labor Force, Employment, and Unemployment, 1979:I, Kansas

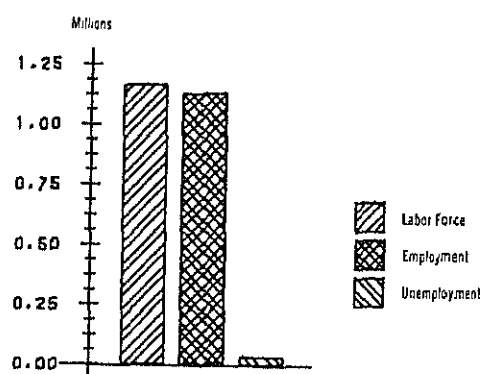


Chart 6.—Unemployment Rates, 1978:I—1979:I

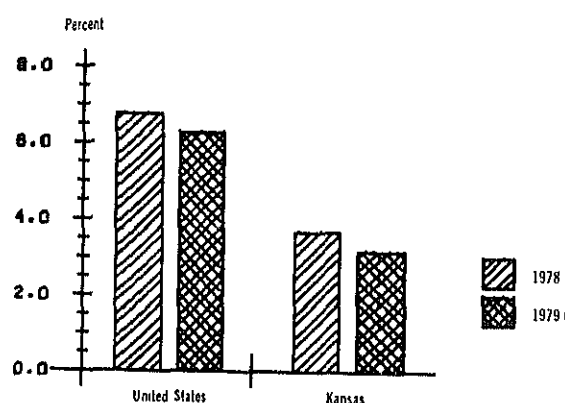


TABLE 4.—Labor Force, United States and Kansas

	United States		Kansas				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV—1978:IV		1978:I—1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	892	888	930	925	4.2	4.2	2.9	4.2
Mining	730	896	12	12	13	12	14.4	4.9	22.7	2.5
Construction	3,784	3,973	47	40	49	41	11.2	3.4	5.0	3.8
Manufacturing	20,064	20,652	175	179	193	197	3.6	9.9	2.9	10.1
Transportation, communication, and public utilities	4,779	4,943	61	61	64	65	4.4	5.6	3.4	6.5
Wholesale and retail trade	18,937	19,549	220	214	225	220	4.5	1.9	3.2	2.8
Finance, insurance, and real estate	4,601	4,790	44	44	45	46	5.2	2.5	4.1	5.0
Services	15,758	16,149	150	152	158	159	4.4	5.1	2.5	4.8
Government	15,435	15,648	181	187	183	184	1.4	9	1.4	-1.3
Civilian labor force ³	98,106	101,260	1,127	1,122	1,164	1,169	3.1	3.3	3.2	4.2
Total employed	91,401	94,901	1,084	1,081	1,132	1,132	3.9	4.4	3.8	4.8
Total unemployed	6,705	6,360	43	42	32	37	-8.8	-25.2	-5.1	-11.0
Percent unemployed ..	6.8	6.3	3.8	3.7	2.8	3.2				

¹ Detail may not add to totals because of rounding

² Based on unrounded data

³ Beginning January 1978 these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

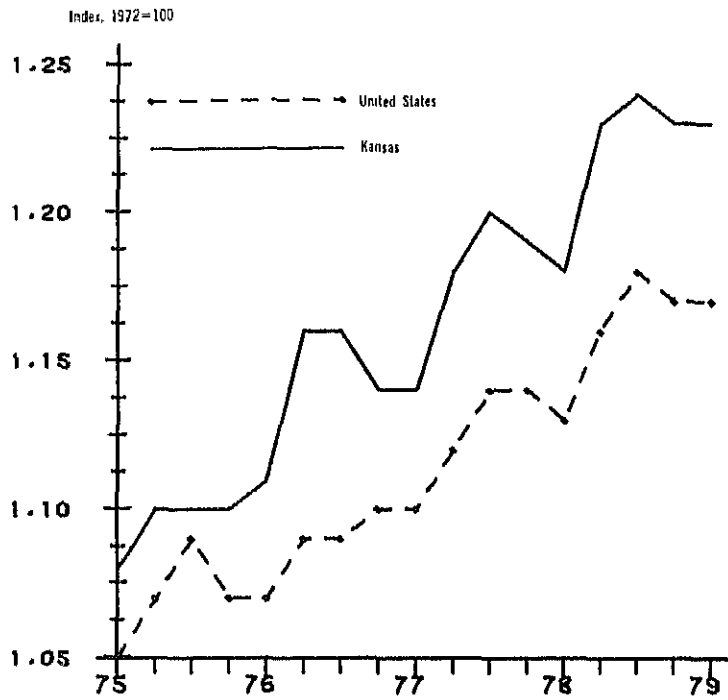


Chart 8.—Civilian Employment

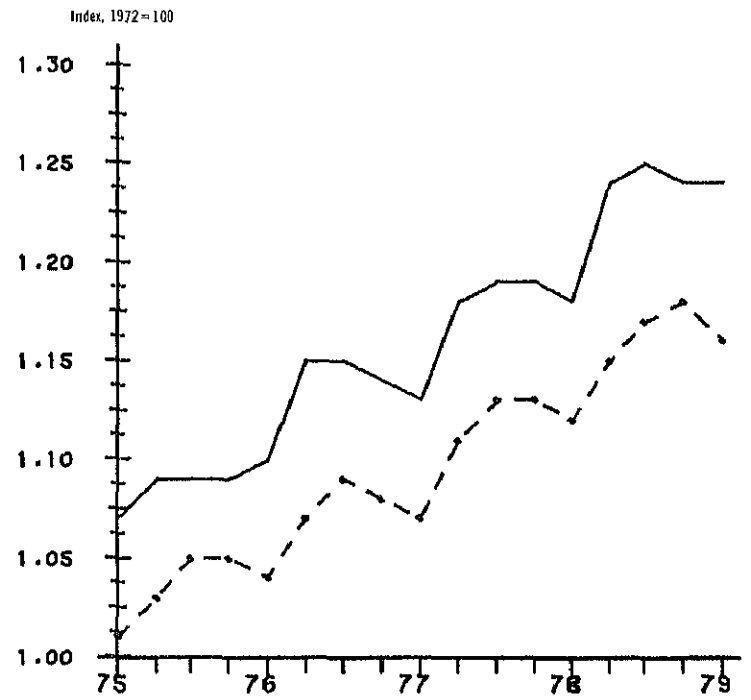


Chart 9.—Unemployment Rate

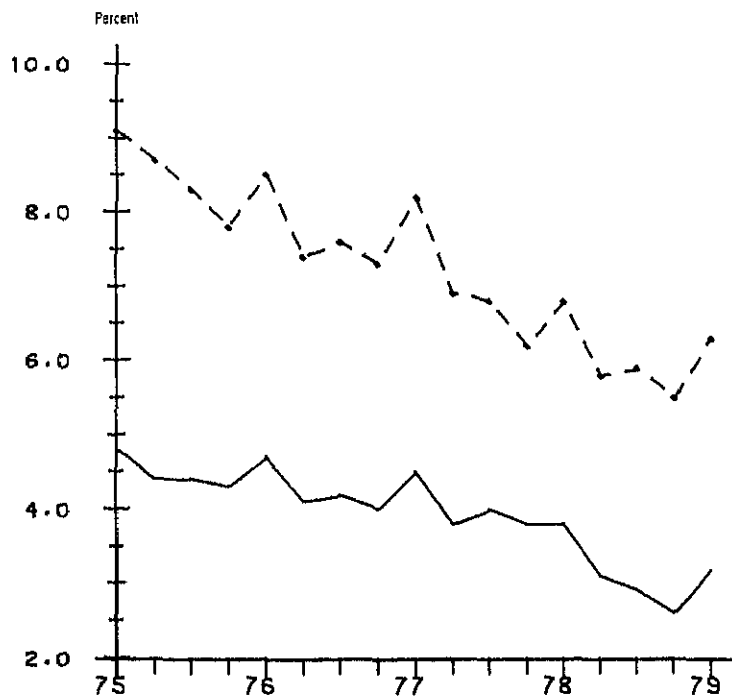
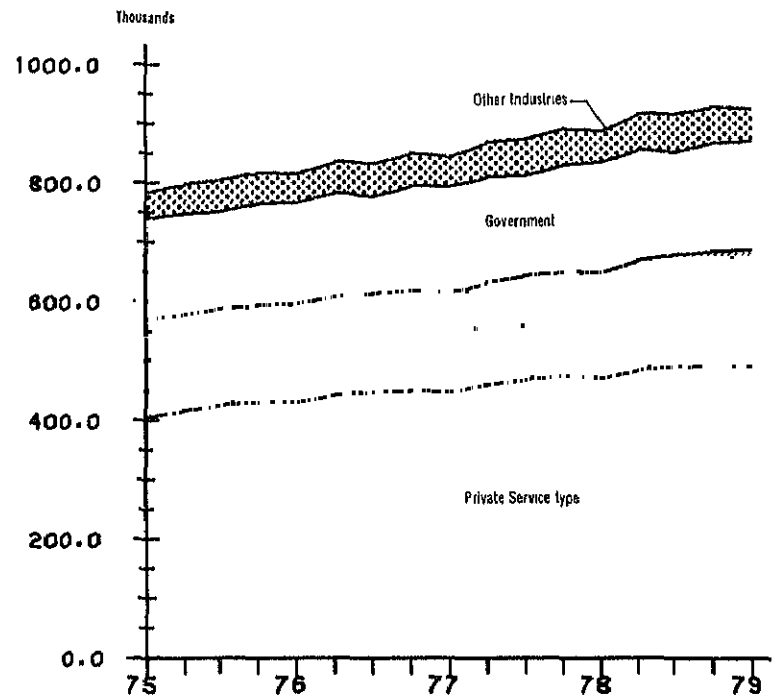


Chart 10.—Industrial Composition of Nonagricultural Employment: Kansas



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Kansas

	United States		Kansas				U S	State	U S	State
	1978 I	1979 I	1977-IV	1978 I	1978-IV	1979 I	1977 IV-- 1978-IV	1978 I-- 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	6,606	6,757	7,553	n.a.	15.6	14.3	---	---
Commercial and industrial	202,241	n.a.	1,602	1,674	1,827	n.a.	13.3	14.1	---	---
Loans to individuals	143,356	n.a.	1,697	1,718	1,920	n.a.	18.7	13.1	---	---
Real estate	183,599	n.a.	1,361	1,432	1,690	n.a.	19.6	24.1	---	---
Residential	104,830	n.a.	624	662	779	n.a.	22.1	24.8	---	---
Farms	7,919	n.a.	203	207	217	n.a.	9.6	7.1	---	---
Other	70,851	n.a.	534	563	693	n.a.	17.0	29.8	---	---
Farms, excluding real estate	25,440	n.a.	1,661	1,652	1,801	n.a.	9.5	8.4	---	---
Other	64,581	n.a.	285	282	316	n.a.	7.9	11.1	---	---
Total deposits	911,772	n.a.	10,804	10,650	11,705	n.a.	9.3	8.3	---	---
Demand	344,245	n.a.	4,118	3,628	4,272	n.a.	5.6	3.7	---	---
Time and savings	567,527	n.a.	6,686	7,022	7,433	n.a.	11.9	11.2	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in Kansas increased 14.3 percent from 1977:IV to 1978:IV versus 15.6 percent nationally (table 5). In 1978:IV, bank loans totaled \$7.6 billion in the State, up \$947 million since 1977:IV. Increases in loans to individuals (13.1 percent) and farm loans, excluding real estate (8.4 percent) were below corresponding national increases, while

increases in commercial and industrial loans (14.1 percent) and real estate loans (24.1 percent) were above corresponding national increases. Kansas' increase in real estate loans was the 10th largest in the Nation.

Total deposits in Kansas increased 8.3 percent, 1.0 percentage point less than nationally. In 1978:IV, bank deposits totaled \$11.7 billion, up \$901 million since 1977:IV. Demand deposits increased 3.7 percent versus 5.6 percent nationally, and time and savings deposits increased 11.2 percent versus 11.9 percent nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 42.7 percent (\$127.6 million), to \$426.3 million (table 6). This national increase was more than twice the Nation's 19.8-percent increase. With the exception of residential housekeeping, all major construction markets in the State increased at rates substantially above national rates. During the same timespan, national construction costs rose about 14 percent.

Nonresidential contracts increased 120.5 percent in valuation (\$70.0 million), more than four times the national rate of increase. Kansas' percentage increase ranked fifth among all States. The year-to-year dollar increase in Kansas' nonresidential contracts accounted for over one-half of the dollar increase in the total valuation of all contracts in the State.

The valuation of nonbuilding contracts in the State also increased at a rate that was more than four times the Nation's—111.6 percent (\$45.9

million) versus 23.7 percent. The street and highway component of nonbuilding contracts increased about 206.6 percent in valuation (\$31 million), compared with 61.2 percent nationally.

Residential nonhousekeeping contracts, which accounted for only a small proportion of the total valuation in the State, increased 113.7 percent in valuation versus 54.1 percent in the Nation.

In contrast, the valuation of residential housekeeping contracts increased less than 1 percent in the State versus 11.8 percent in the Nation. The number of dwelling units started declined 5.2 percent (180 units) versus a 2.6-percent increase nationally.

Additions and alterations to residential housekeeping units increased 16.0 percent in valuation (almost \$10 million), compared with 17.9 percent in the Nation.

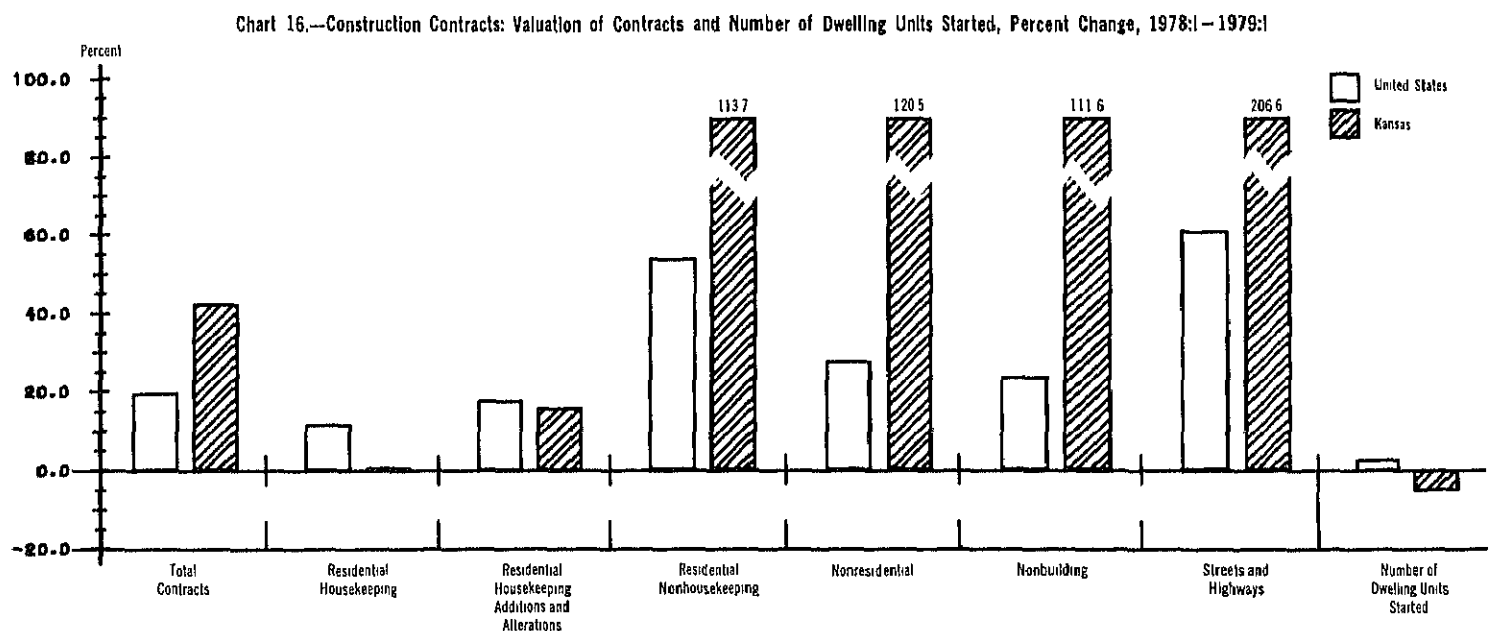
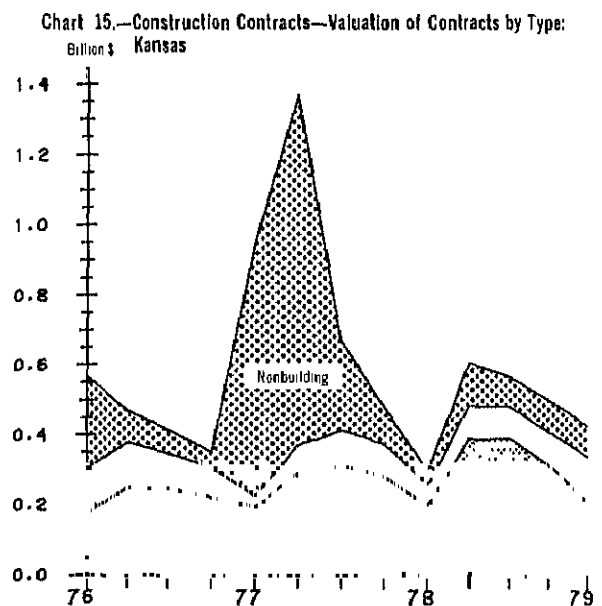
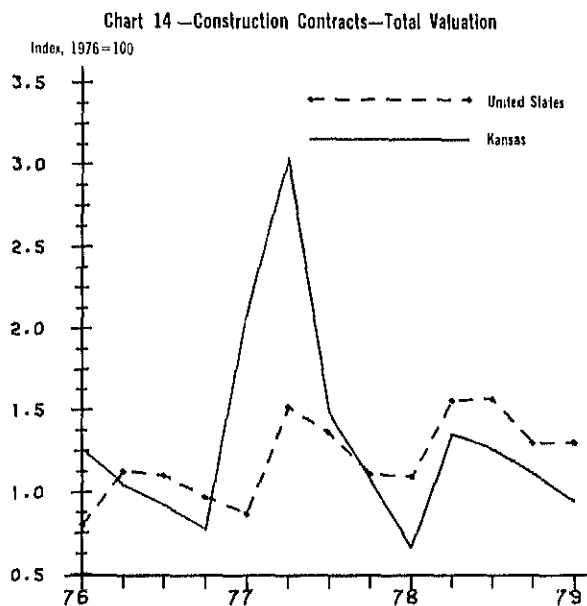


TABLE 6.—Construction Contracts, United States and Kansas¹

	United States		Kansas				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Not seasonally adjusted						Percent change ¹			
Total valuation of contracts	38,107,230	45,638,147	482,036	298,637	500,442	426,280	16.8	3.8	19.8	42.7
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	102,073	62,134	103,292	72,076	14.6	1.2	17.9	16.0
All other contracts										
Number of contracts	53,028	53,454	1,031	906	893	974	-9.3	-13.4	8	7.5
Valuation (thousands of dollars)	32,202,931	38,675,376	379,963	236,503	397,150	354,204	17.3	4.5	20.1	49.8
Floor area (thousands of square feet)	807,538	904,811	9,852	6,979	10,823	9,032	10.3	9.9	12.0	29.4
Residential housekeeping										
Number of contracts	13,592	14,399	396	370	366	363	-4.3	-7.6	5.9	-1.9
Number of dwelling units	404,171	414,826	4,534	3,451	4,723	3,271	-2	4.2	2.6	-5.2
Valuation (thousands of dollars)	13,806,696	15,431,523	178,755	136,472	210,020	137,373	15.6	17.5	11.8	7
Floor area (thousands of square feet)	546,445	571,860	6,741	5,126	7,726	4,980	10.7	14.6	4.7	-2.8
Residential nonhousekeeping										
Number of contracts	441	464	4	1	8	7	-4	100.0	5.2	600.0
Valuation (thousands of dollars)	327,201	504,158	1,151	750	3,008	1,603	54.9	161.3	54.1	113.7
Floor area (thousands of square feet)	8,179	11,483	28	19	70	64	34.7	145.4	40.4	239.6
Nonresidential										
Number of contracts	25,282	23,514	320	268	223	255	-12.0	-30.3	-7.0	-4.9
Valuation (thousands of dollars)	9,056,146	11,595,243	91,776	58,150	95,580	128,193	16.3	4.1	28.0	120.5
Floor area (thousands of square feet)	252,915	321,468	3,083	1,834	3,027	3,988	8.7	-1.8	27.1	117.4
Nonbuilding										
Number of contracts	13,713	15,077	311	267	296	349	-9.1	-4.8	9.9	30.7
Valuation (thousands of dollars)	9,012,888	11,144,452	108,281	41,131	88,542	87,035	20.6	-18.2	23.7	111.6
Streets and Highways										
Number of contracts	3,989	4,750	89	113	76	162	-17.8	-14.6	19.1	43.4
Valuation (thousands of dollars)	1,399,453	2,255,221	51,304	14,979	35,872	45,931	-18.1	-30.1	61.2	206.6

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Kansas are not available.

TABLE 7.—Retail Sales, United States and Kansas

	United States		Kansas				U S.	State	U S.	State
	1978 I	1979 I	1977.IV	1978.I	1978.IV	1979 I	1977.IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Non durable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

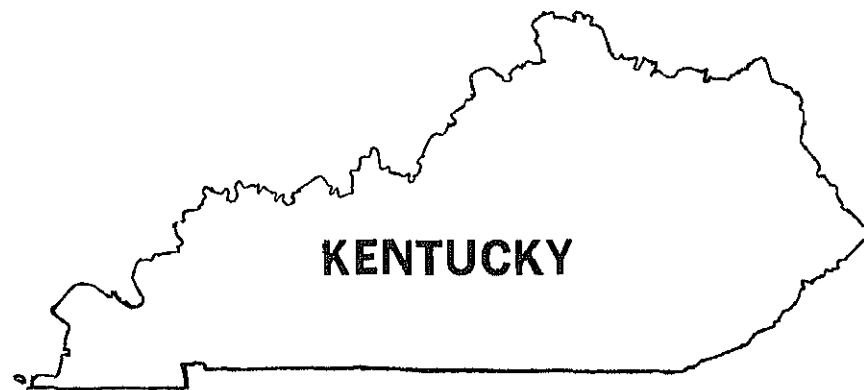
TABLE 8.—Business Incorporations and failures, United States and Kansas

	United States		Kansas				U S	State	U S	State
	1978.I	1979.I	1977.IV	1978.I	1978.IV	1979.I	1977.IV— 1978.IV	1978.I— 1979.I		
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	993	1,007	1,084	n.a.	13.2	9.2	---	---
Total number of business failures	1,729	n.a.	22	9	17	n.a.	-4.9	-22.7	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	1,942	2,279	1,951	n.a.	13.7	5	---	---
Average liability per failure (thousands of dollars)	404	n.a.	88	253	115	n.a.	19.4	30.7	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	2	3	n.a.	6.0	---	---	---
Construction	279	n.a.	5	2	1	n.a.	-8.2	-80.0	---	---
Wholesale trade	205	n.a.	5	1	1	n.a.	-6.3	-80.0	---	---
Retail trade	769	n.a.	10	4	10	n.a.	-4	0	---	---
Commercial services	205	n.a.	2	0	2	n.a.	-23.5	0	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 16.5% vs. 12.6% in U.S., to \$24.9 billion —Payrolls up 19.9% in durables manufacturing vs. 16.2% in U.S. and 16.9% in trade vs. 13.7% in U.S.
Consumer prices	—Up 11.5% in Cincinnati vs. 9.9% in U.S.
Employment	—Up 1.7% vs. 3.8% in U.S., to 1.4 million
Unemployment	—Up 2,000, to 99,000 —Rate unchanged, at 6.5% of labor force vs. 6.3% U.S. rate
Construction	—Total valuation of contracts up 44.9% vs. 19.8% in U.S. —Valuation of nonbuilding contracts up 132.1% vs. 23.7% in U.S. —Number of dwelling-unit starts up 3.4% vs. 2.6% in U.S.

TABLE 1.—Summary of Economic Indicators, United States and Kentucky

	United States		Kentucky				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I	1978:I— 1979:I	1978:I— 1979:I
All indicators, except income, not seasonally adjusted							Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	21,573	21,364	24,418	24,896	12.6	13.2	12.6	16.5
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	13,071	12,743	15,024	15,242	12.6	14.9	12.8	19.6
Civilian employment (thousands)	91,401	94,901	1,490	1,389	1,518	1,412	3.9	1.8	3.8	1.7
Unemployment (thousands)	6,705	6,360	69	97	74	99	-8.8	6.1	-5.1	2.1
Percent unemployed (unemployment/labor force)	6.8	6.3	4.5	6.5	4.6	6.5	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	7,851	8,033	9,276	n.a.	15.6	18.1	---	---
Total deposits (millions of dollars)	911,772	n.a.	12,182	11,754	13,605	n.a.	9.3	11.7	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	762,633	586,120	992,741	849,103	16.8	30.2	19.8	44.9
Dwelling units started (number)	404,171	414,826	8,363	7,230	8,529	7,476	-2	2.0	2.6	3.4
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	1,216	1,312	1,111	n.a.	13.2	-8.6	---	---
Business failures (number)	1,729	n.a.	18	16	30	n.a.	-4.9	66.7	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Cincinnati	---	---	186.7	192.3	207.5	214.5	---	11.1	---	11.5

n.a. Data not available

Source: See tables 2 through 8

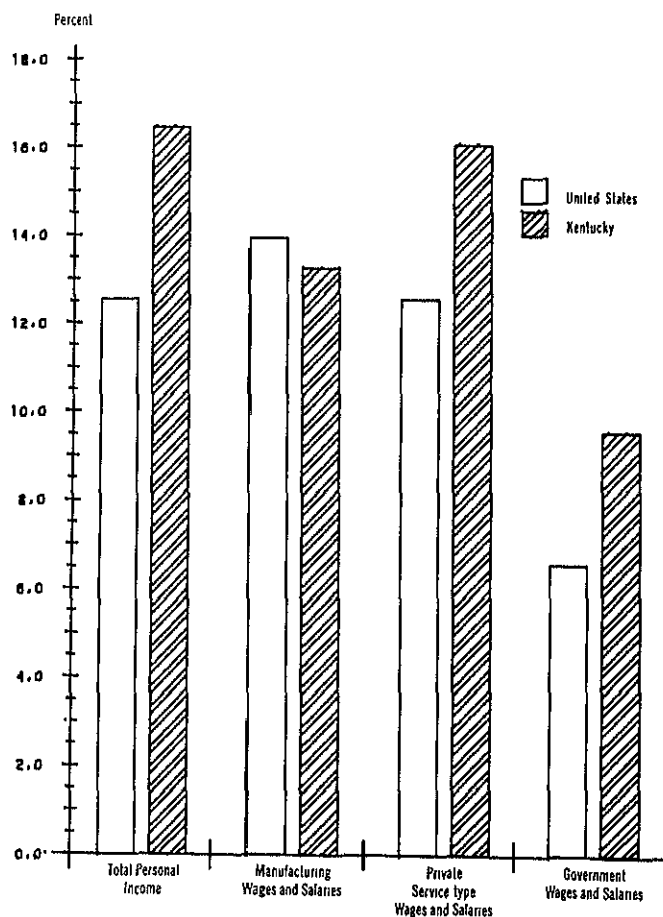
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 16.5 percent in Kentucky from 1978:I to 1979:I, compared with a 12.6 percent national increase (table 2). Kentucky's increase was one of the largest in the Nation. In 1979:I, personal income totaled \$24.9 billion in the State, up \$3.5 billion since 1978:I. Kentucky's increase in total personal income would have been larger had it not been for an 11.1-percent decline in farm personal income versus a national increase of 25.1 percent; the State's decline was exceeded in only five States. Kentucky's nonfarm personal income increased 17.3 percent from year to year, the fourth largest increase among all States, compared with a national increase of 12.4 percent.

From 1978:I to 1979:I, the Consumer Price Index for the Cincinnati metropolitan area increased 11.5 percent versus a national city average increase of 9.9 percent (table 3). If Cincinnati's increase is used as an indicator for price movements in the State, real total personal income in Kentucky increased 5.0 percent from year to year versus 2.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 19.6 percent in Kentucky, one of the largest increases in the Nation, compared with a national increase of 12.8 percent.

Mining payrolls in the State increased 119.3 percent, twice the national increase. Although mining payrolls accounted for only 8 percent of the State's total payrolls in 1979:I, they accounted for one-fourth of the year-to-year increase in total payrolls. The large increase in mining payrolls reflected the resumption of coal-mining activities after a miners' strike in 1978:I.

Durable goods manufacturing payrolls increased 19.9 percent in Kentucky versus 16.2 percent nationally. In sharp contrast, nondurable goods payrolls increased only 3.0 percent from year to year versus 9.9 percent nationally.

Most of Kentucky's private service-type industries registered above-national-average payroll increases. Services payrolls increased 15.4 percent versus 11.7 percent nationally; trade payrolls increased 16.9 percent versus 13.7 percent nationally; and payrolls in transportation-communication-public utilities increased 17.9 percent versus 11.5 percent nationally. All three State increases were among the largest in the Nation. In finance-insurance-real estate, in contrast, payrolls increased 11.8 percent in the State and 13.3 percent nationally.

Construction payrolls increased 37.7 percent versus 21.3 percent nationally. Kentucky's increase ranked third, after increases in Arizona and Tennessee.

State and local government payrolls increased 10.2 percent in Kentucky, 4.1 percentage points more than nationally, and Federal Government payrolls increased 8.8 percent versus 7.6 percent nationally.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

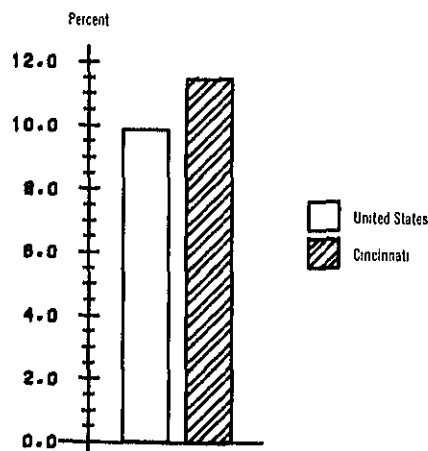


Chart 3.—Total Personal Income
[Seasonally adjusted]

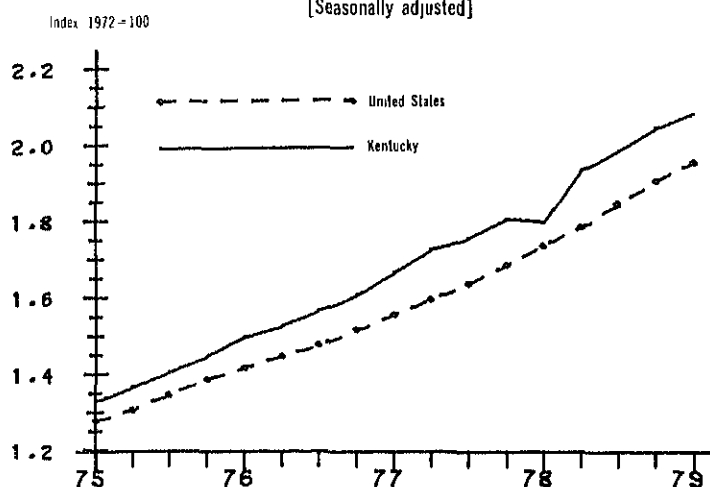


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

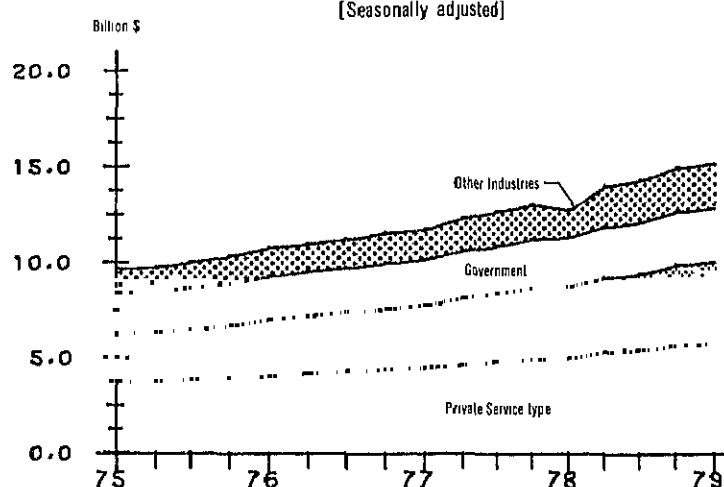


TABLE 2.—Personal Income, United States and Kentucky

	United States		Kentucky				U S	State	U S	State
	1978:I	1979 I	1977 IV	1978:I	1978 IV	1979:I	1977:IV-- 1978:IV	1978 I-- 1979:I	U S	State
Millions of dollars, seasonally adjusted at annual rates ¹							Percent change ²			
Total personal income	1,624,665	1,829,515	21,573	21,364	24,418	24,896	12.6	13.2	12.6	16.5
Farm personal income	32,083	40,141	571	569	436	506	26.3	-23.7	25.1	-11.1
Nonfarm personal income	1,592,582	1,789,374	21,001	20,795	23,982	24,390	12.3	14.2	12.4	17.3
Total personal income	1,624,665	1,829,515	21,573	21,364	24,418	24,896	12.6	13.2	12.6	16.5
Wage and salary disbursements	1,042,716	1,176,598	13,071	12,743	15,024	15,242	12.6	14.9	12.8	19.6
Other labor income	99,957	115,833	1,584	1,509	1,895	1,927	16.4	19.6	15.9	27.6
Proprietors' income	108,808	126,535	1,809	1,829	1,923	1,995	18.9	6.3	16.3	9.1
Farm	24,448	31,221	462	460	318	381	31.3	-31.2	27.7	-17.1
Nonfarm	84,360	95,314	1,347	1,369	1,606	1,613	15.3	19.2	13.0	17.9
Dividends, interest, and rent	221,191	250,595	2,579	2,661	2,913	3,019	12.8	12.9	13.3	13.5
Transfer payments	219,202	238,794	3,232	3,287	3,506	3,600	8.2	8.5	8.9	9.5
State unemployment insurance benefits	9,997	8,023	140	128	88	109	-30.3	-37.2	-19.7	-14.7
Less personal contributions	66,792	78,351	830	836	975	1,047	15.1	17.5	17.3	25.2
Plus residence adjustment	-417	-489	128	171	132	161				
Wage and salary disbursements	1,042,716	1,176,598	13,071	12,743	15,024	15,242	12.6	14.9	12.8	19.6
Farm	7,215	8,422	107	107	116	122	10.6	8.0	16.7	13.9
Nonfarm	1,035,501	1,168,176	12,964	12,636	14,909	15,120	12.6	15.0	12.8	19.7
Mining	12,013	19,166	923	549	1,211	1,203	33.9	31.2	59.5	119.3
Construction	56,564	68,593	769	713	970	982	20.1	26.0	21.3	37
Manufacturing	285,735	325,636	3,726	3,772	4,205	4,272	13.3	12.8	14.0	1
Durable goods	182,321	211,944	2,289	2,296	2,665	2,753	15.2	16.4	16.2	
Nondurable goods	103,414	113,692	1,438	1,476	1,540	1,520	10.0	7.1	9.9	
Private service type	473,132	532,823	4,953	5,009	5,703	5,818	13.1	15.2	12.6	
Transportation, communication, and public utilities	79,598	88,755	1,007	995	1,123	1,173	11.3	11.5	11.5	
Wholesale and retail trade	177,331	201,608	1,979	2,039	2,375	2,383	14.1	20.0	13.7	1
Finance, insurance, and real estate	55,930	63,373	485	491	533	549	13.2	9.8	13.3	11
Services	160,273	179,087	1,482	1,484	1,673	1,713	12.7	12.9	11.7	15
Government	204,558	218,008	2,567	2,566	2,790	2,813	6.9	8.7	6.6	
Federal	68,698	73,916	1,088	1,048	1,133	1,140	7.1	4.1	7.6	
State and local	135,860	144,092	1,479	1,518	1,657	1,672	6.8	12.0	6.1	
Other	3,499	3,950	26	28	30	32	14.6	15.4	12.9	

1 Detail may not add to totals because of rounding

2 Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Kentucky¹

	United States		Kentucky				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ² .	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Cincinnati			186.7	192.3	207.5	214.5	---	11.1	---	11.5

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2 Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time

Labor Force

From 1978:I to 1979:I, Kentucky's civilian labor force increased 1.7 percent versus 3.2 percent nationally (table 4). Total employment also increased 1.7 percent (to just over 1.4 million), compared with a 3.8-percent national increase. Both State increases were among the smallest in the Nation.

With the labor force increasing by 25,000 and employment increasing by 23,000, the number of unemployed increased by 2,000, to 99,000. Kentucky's unemployment rate was unchanged from year to year, at 6.5 percent of the labor force in 1979:I versus a 6.3-percent national rate.

Among Kentucky's major metropolitan areas, preliminary unemployment rates for March 1979, when the State's rate was 5.5 percent, ranged from 5.1 percent in Owensboro to 3.0 percent in Lexington-Fayette. In Louisville, which accounted for 27 percent of the State's total labor force in March 1979, the preliminary unemployment rate was 5.0 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Kentucky

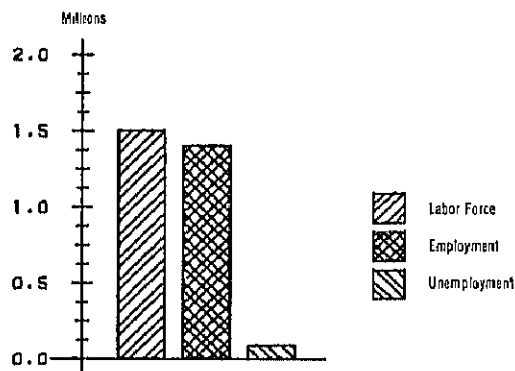


Chart 6.—Unemployment Rates, 1978:I—1979:I

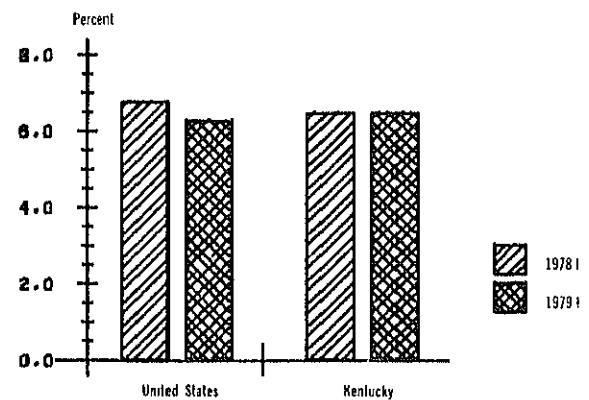


TABLE 4.—Labor Force, United States and Kentucky

	United States		Kentucky				U S	State	U S	State
	1978 I	1979.I	1977 IV	1978.I	1978 IV	1979.I	1977:IV— 1978:IV		1978:I— 1979.I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,192	1,144	1,270	1,241	4.2	6.5	2.9	8.4
Mining	730	896	49	34	61	58	14.4	22.7	22.7	70.9
Construction	3,784	3,973	63	49	73	60	11.2	16.3	5.0	22.6
Manufacturing	20,064	20,652	289	286	293	292	3.6	1.4	2.9	2.3
Transportation, communication, and public utilities	4,779	4,943	66	64	70	69	4.4	5.6	3.4	8.0
Wholesale and retail trade	18,937	19,549	261	248	277	270	4.5	5.8	3.2	8.7
Finance, insurance, and real estate	4,601	4,790	47	47	49	49	5.2	3.8	4.1	4.9
Services	15,758	16,149	190	189	206	204	4.4	8.7	2.5	8.1
Government	15,435	15,648	226	228	241	239	1.4	6.5	1.4	4.6
Civilian labor force ³	98,106	101,260	1,560	1,486	1,591	1,511	3.1	2.0	3.2	1.7
Total employed	91,401	94,901	1,490	1,389	1,518	1,412	3.9	1.8	3.8	1.7
Total unemployed	6,705	6,360	69	97	74	99	-8.8	6.1	-5.1	2.1
Percent unemployed	6.8	6.3	4.5	6.5	4.6	6.5	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

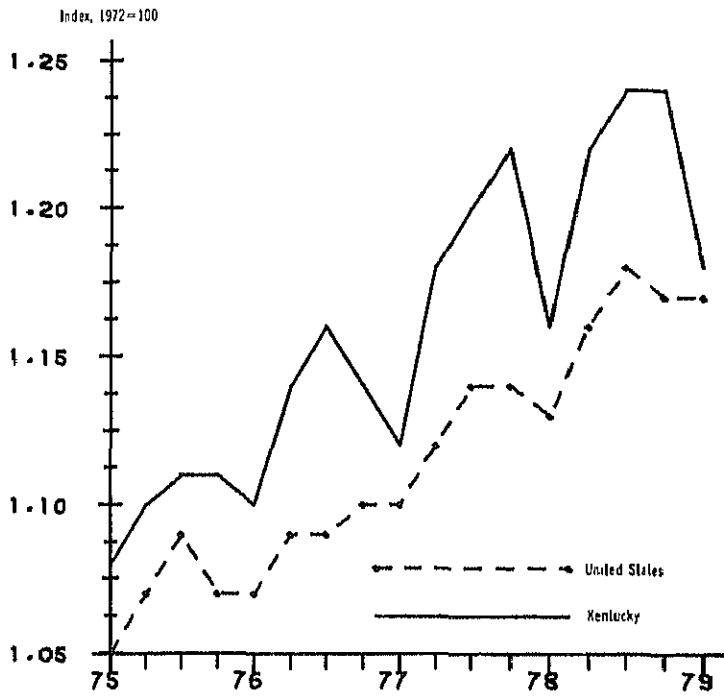


Chart 8.—Civilian Employment

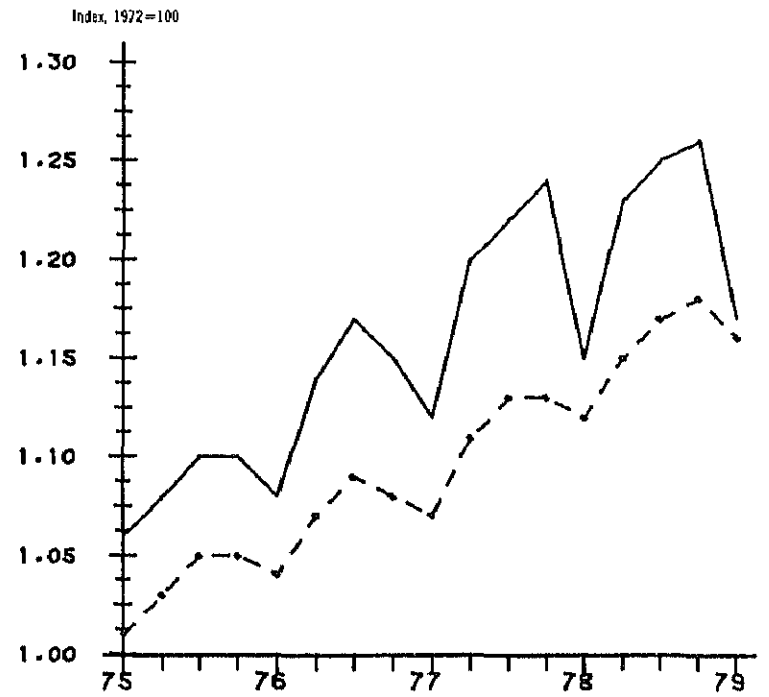


Chart 9.—Unemployment Rate

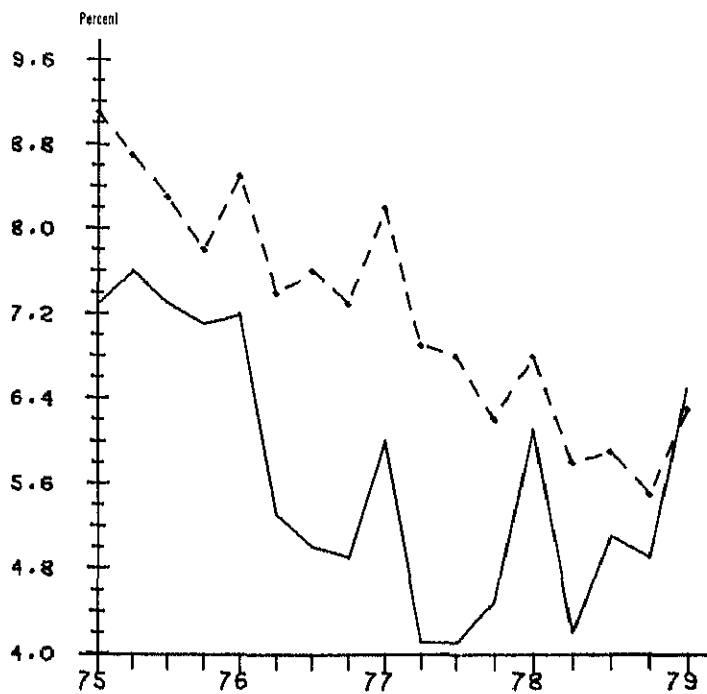
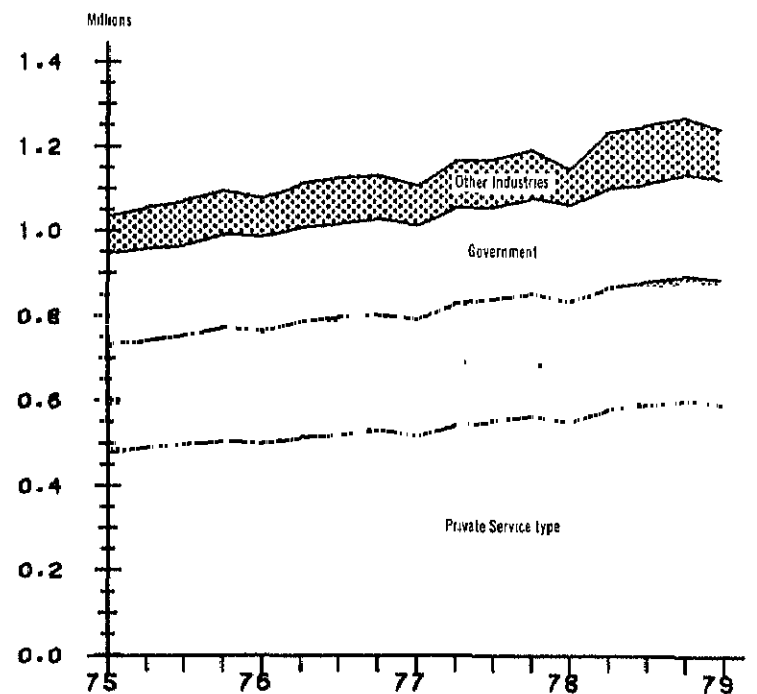


Chart 10.—Industrial Composition of Nonagricultural Employment: Kentucky



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I—1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Kentucky

	United States		Kentucky				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV		1978 I— 1979:I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	7,851	8,033	9,276	n.a.	15.6	18.1	---	---
Commercial and industrial	202,241	n.a.	1,708	1,810	2,122	n.a.	13.3	24.2	---	---
Loans to individuals	143,356	n.a.	2,531	2,586	3,002	n.a.	18.7	18.6	---	---
Real estate	183,599	n.a.	2,799	2,871	3,315	n.a.	19.6	18.4	---	---
Residential	104,830	n.a.	1,428	1,480	1,768	n.a.	22.1	23.9	---	---
Farms	7,919	n.a.	406	421	434	n.a.	9.6	6.8	---	---
Other	70,851	n.a.	965	970	1,113	n.a.	17.0	15.3	---	---
Farms, excluding real estate	25,440	n.a.	397	391	431	n.a.	9.5	8.5	---	---
Other	64,581	n.a.	415	376	406	n.a.	7.9	-2.3	---	---
Total deposits	911,772	n.a.	12,182	11,754	13,605	n.a.	9.3	11.7	---	---
Demand	344,245	n.a.	5,235	4,530	5,538	n.a.	5.6	5.8	---	---
Time and savings	567,527	n.a.	6,947	7,225	8,068	n.a.	11.9	16.1	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV—1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 18.1 percent (\$1.4 billion) in Kentucky from 1977:IV to 1978:IV versus 15.6 percent nationally (table 5). In 1978:IV, bank loans totaled \$9.3 billion in the State. Commercial and industrial loans increased 24.2 percent from year to year, 10.9 percentage points more than nationally. Kentucky's increase was the largest among all States, although second to the 44.3-percent increase in the District of Columbia. Loans to individuals increased 18.6 percent in the State, about the same as nationally. Real estate loans, in contrast, increased

less in the State, 18.4 percent, than nationally, 19.6 percent. Farm real estate loans increased 6.8 percent from year to year, almost 3.0 percentage points less than nationally, while residential real estate loans increased 23.9 percent versus 22.1 percent nationally. Farm loans, excluding those for real estate, increased 8.5 percent in the State, 1.0 percentage point less than nationally.

Total deposits increased 11.7 percent (\$1.4 billion) in Kentucky from 1977:IV to 1978:IV versus 9.3 percent nationally. In 1978:IV, bank deposits totaled \$13.6 billion in the State. Time and savings deposits registered one of the largest increases in the Nation, 16.1 percent, compared with an 11.9-percent national increase. Demand deposits increased 5.8 percent from year to year, almost the same as nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 44.9 percent (\$263.0 million), to \$849.1 million (table 6). In 1979:I, a \$168 million contract for the construction of an electric generating plant in Webster County raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. It should be noted, however, that a \$44.6 million contract in 1978:I for the construction of an electric generating plant in Hancock County partly offset the distorting effect of the large 1979:I contract. If both contracts are excluded, the total valuation of contracts in Kentucky would have increased 25.8 percent.

National construction costs increased about 14 percent from 1978:I to 1979:I, and if this national increase is representative of the cost increase throughout the State, the real increase in the total valuation of contracts in Kentucky (including the two generating plants) was about 31 percent versus a real increase nationally of about 6 percent.

Primarily reflecting the Webster County contract, nonbuilding contracts increased 132.1 percent (\$175.4 million) in valuation, compared with a 23.7-percent national increase. Nonbuilding contracts accounted for over one-third of the total valuation of all contracts in the State in 1979:I, compared with a weight of one-fourth on a national basis. From 1978:I to 1979:I, street and highway contracts, a major component of nonbuilding contracts, increased 66.3 percent (\$25.7 million) in valuation in Kentucky versus 61.2 percent nationally.

Nonresidential contracts increased 40.2 percent (\$41.5 million) in valuation in the State, 12.2 percentage points more than nationally.

The valuation of contracts for residential housekeeping units increased 11.3 percent (\$27.4 million) versus 11.8 percent throughout the Nation. The number of dwelling units started in the State increased 3.4 percent (246 units), to 7,476, compared with a 2.6-percent national increase. The valuation of contracts for additions and alterations to residential housekeeping units increased 29.1 percent (\$26.4 million) versus 17.9 percent nationally.

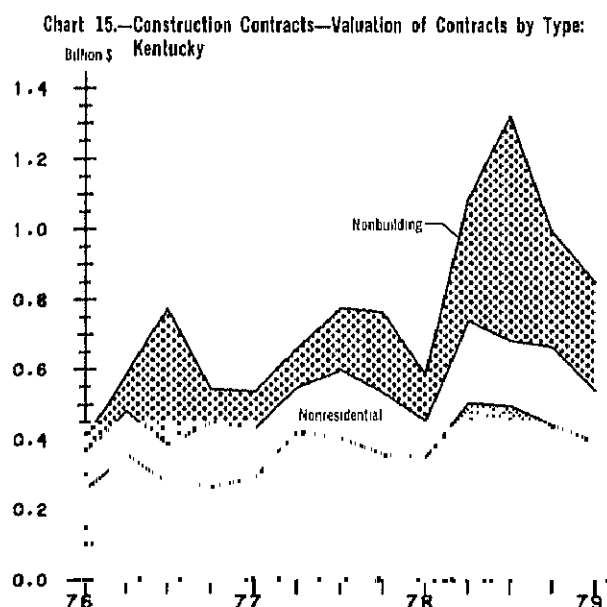
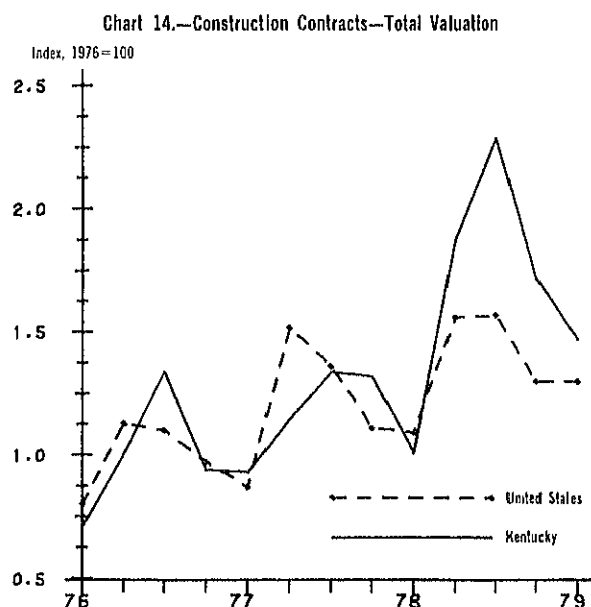


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

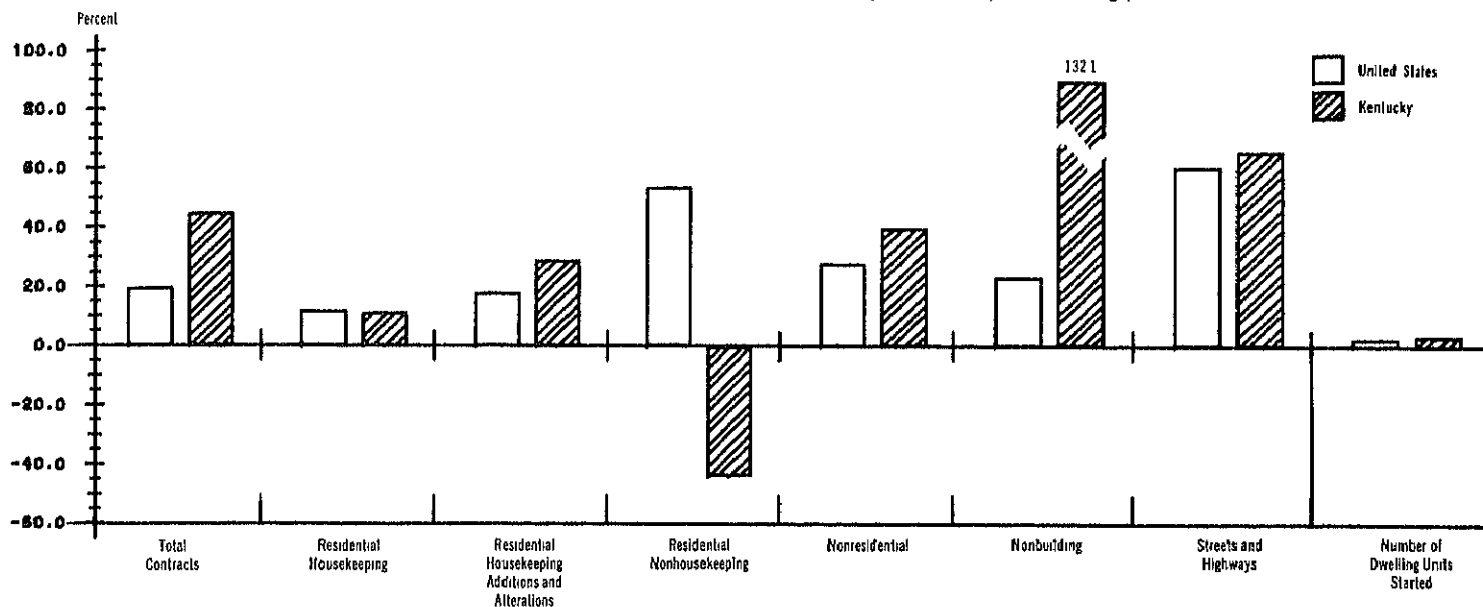


TABLE 6.—Construction Contracts, United States and Kentucky¹

	United States		Kentucky				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	762,633	586,120	992,741	849,103	16.8	30.2	19.8	44.9
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	106,692	90,650	139,944	117,068	14.6	31.2	17.9	29.1
All other contracts										
Number of contracts	53,028	53,454	1,258	1,070	1,166	1,167	-9.3	-7.3	8	9.1
Valuation (thousands of dollars)	32,202,931	38,675,376	655,941	495,470	852,797	732,035	17.3	30.0	20.1	47.7
Floor area (thousands of square feet)	807,538	904,811	13,562	12,543	16,842	14,279	10.3	24.2	12.0	13.8
Residential housekeeping										
Number of contracts	13,592	14,399	445	415	443	472	-4.3	-4	5.9	13.7
Number of dwelling units	404,171	414,826	8,363	7,230	8,529	7,476	-2	2.0	2.6	3.4
Valuation (thousands of dollars)	13,806,696	15,431,523	246,372	241,963	297,024	269,328	15.6	20.6	11.8	11.3
Floor area (thousands of square feet)	546,445	571,860	9,802	9,016	11,041	9,696	10.7	12.6	4.7	7.5
Residential nonhousekeeping										
Number of contracts	441	464	11	8	11	11	-4	0	5.2	37.5
Valuation (thousands of dollars)	327,201	504,158	6,270	17,438	5,441	9,745	54.9	-13.2	54.1	-44.1
Floor area (thousands of square feet)	8,179	11,483	70	80	126	304	34.7	80.4	40.4	281.2
Nonresidential										
Number of contracts	25,282	23,514	437	361	439	336	-12.0	5	-7.0	-6.9
Valuation (thousands of dollars)	9,056,146	11,595,243	176,522	103,311	223,192	144,816	16.3	26.4	28.0	40.2
Floor area (thousands of square feet)	252,915	321,468	3,690	3,447	5,675	4,278	8.7	53.8	27.1	24.1
Nonbuilding										
Number of contracts	13,713	15,077	365	286	273	348	-9.1	-25.2	9.9	21.7
Valuation (thousands of dollars)	9,012,888	11,144,452	226,777	132,758	327,140	308,146	20.6	44.3	23.7	132.1
Streets and Highways										
Number of contracts	3,989	4,750	150	100	92	186	-17.8	-38.7	19.1	86.0
Valuation (thousands of dollars)	1,399,453	2,255,221	98,147	38,774	46,017	64,488	-18.1	-53.1	61.2	66.3

¹ Contracts started or expected to start within 60 days² Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE.—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Kentucky are not available.

TABLE 7.—Retail Sales, United States and Kentucky

	United States		Kentucky				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

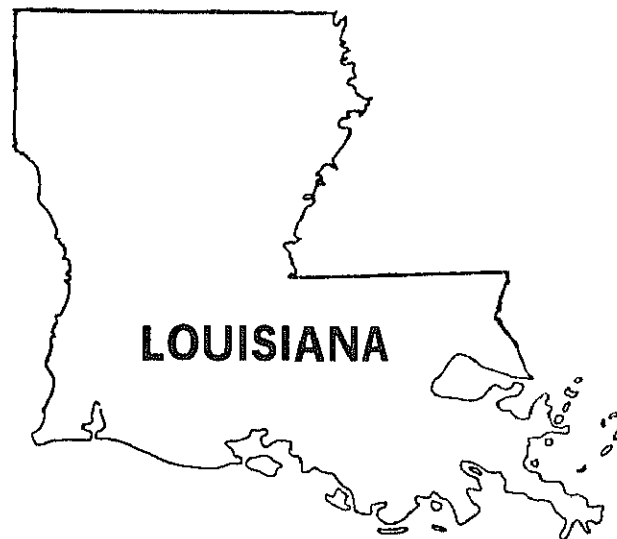
TABLE 8.—Business Incorporations and Failures, United States and Kentucky

	United States		Kentucky				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,216	1,312	1,111	n.a.	13.2	-8.6	---	---
Total number of business failures	1,729	n.a.	18	16	30	n.a.	-4.9	66.7	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	4,782	2,257	7,390	n.a.	13.7	54.5	---	---
Average liability per failure (thousands of dollars)	404	n.a.	266	141	246	n.a.	19.4	-7.5	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	3	3	5	n.a.	6.0	66.7	---	---
Construction	279	n.a.	4	4	9	n.a.	-8.2	125.0	---	---
Wholesale trade	205	n.a.	3	1	2	n.a.	-6.3	-33.3	---	---
Retail trade	769	n.a.	8	4	14	n.a.	-4	75.0	---	---
Commercial services	205	n.a.	0	4	1	n.a.	-23.5	---	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 13.6% vs. 12.6% in U.S., to \$28.5 billion
- Farm personal income up 89.6% vs. 25.1% in U.S.
- Payrolls up 14.7% in nondurables manufacturing vs. 9.9% in U.S.

Consumer prices

- Up 10.5% in Dallas and 13.7% in Houston vs. 9.9% in U.S.

Employment

- Up 4.0% vs. 3.8% in U.S., to 1.5 million

Unemployment

- Down 13,000, to 98,000
- Rate down slightly, to 6.0% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up 23.8% vs. 19.8% in U.S.
- Valuation of nonresidential contracts up 117.4% vs. 28.0% in U.S.
- Number of dwelling-unit starts down 21.8% vs. 2.6% increase in U.S.

Retail sales

- Up 16.4% vs. 15.8% in U.S., to \$3.2 billion

TABLE 1.—Summary of Economic Indicators, United States and Louisiana

	United States		Louisiana				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	All indicators, except income, not seasonally adjusted						Percent change			
Personal income (millions of dollars)	1,624,665	1,829,515	24,168	25,060	27,574	28,478	12.6	14.1	12.6	13.6
Wages and salaries (millions of dollars)	1,042,716	1,176,598	15,743	16,465	17,976	18,657	12.6	14.2	12.8	13.3
Nonfarm employment (thousands)	91,401	94,901	1,460	1,464	1,516	1,522	3.9	3.8	3.8	4.0
Unemployment (thousands)	6,705	6,360	99	111	103	98	-8.8	3.9	-5.1	-11.9
Unemployment (unemployment/labor force)	6.8	6.3	6.3	7.0	6.3	6.0	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	8,981	9,191	10,541	n.a.	15.6	17.4	---	---
Total deposits (millions of dollars)	911,772	n.a.	14,725	14,727	16,241	n.a.	9.3	10.3	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	744,979	797,824	1,124,545	987,910	16.8	50.9	19.8	23.8
Dwelling units started (number)	404,171	414,826	9,794	10,843	8,374	8,479	-2	-14.5	2.6	-21.8
Retail sales (millions of dollars)	167,940	194,529	3,207	2,742	3,396	3,193	11.2	5.9	15.8	16.4
New business incorporations (number)	115,247	n.a.	1,922	2,403	2,028	n.a.	13.2	5.5	---	---
Business failures (number)	1,729	n.a.	9	23	36	n.a.	-4.9	300.0	---	---
Consumer Price Index (1967=100):										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Dallas	---	---	183.8	186.7	200.7	206.3	---	9.2	---	10.5
Houston	---	---	192.7	196.2	216.0	223.1	---	12.1	---	13.7

n.a. Data not available.

Source: See tables 2 through 8.

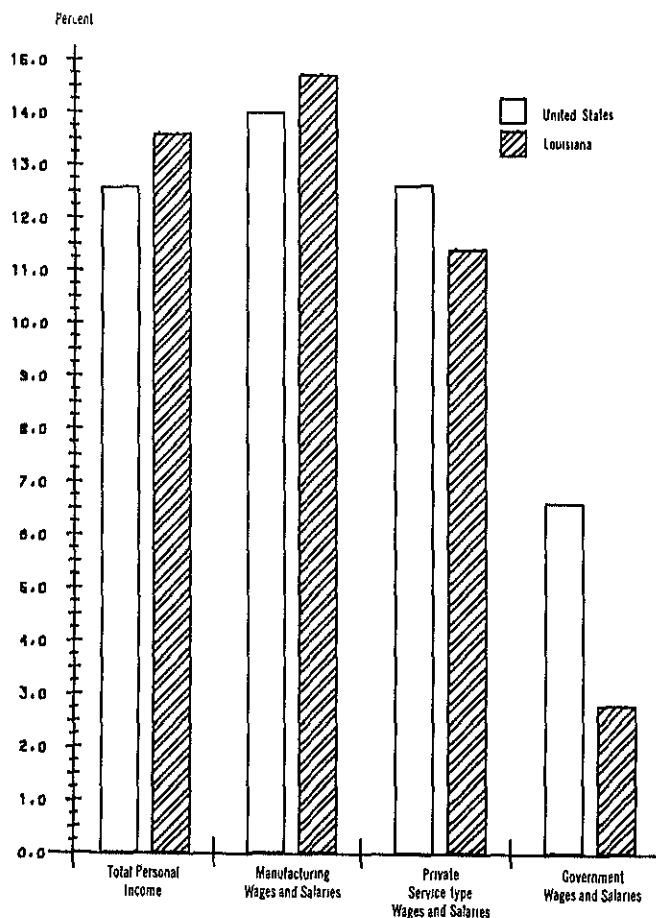
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.6 percent in Louisiana from 1978:I to 1979:I, 1.0 percentage point more than nationally (table 2). In 1979:I, the State's personal income totaled \$28.5 billion, up \$3.4 billion since 1978:I. Farm personal income increased 89.6 percent versus 25.1 percent nationally, and nonfarm personal income increased 12.4 percent, the same as nationally.

From 1978:I to 1979:I, consumer prices in the Dallas and Houston metropolitan areas increased 10.5 percent and 13.7 percent, respectively, compared with a national city average increase of 9.9 percent (table 3). If an average of the two area increases is used as an indicator for price movements in the State, real total personal income in Louisiana increased only 1.5 percent from year to year versus 2.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 13.3 percent in the State versus 12.8 percent nationally. In 1979:I, payrolls totaled \$18.7 billion in the State, up \$2.2 billion since 1978:I.

Nondurable goods manufacturing payrolls increased 14.7 percent in Louisiana, 4.8 percentage points more than nationally. In contrast, the 14.6-percent increase in the State's durable goods manufacturing payrolls was 1.6 percentage points less than the national increase.

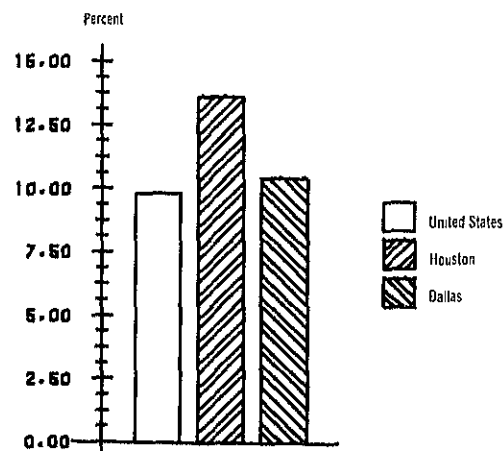
Construction payrolls increased 23.4 percent from year to year versus 21.3 percent nationally. Construction payrolls accounted for 11 percent of Louisiana's total payrolls in 1979:I and for 17 percent of the year-to-year increase in total payrolls in the State.

Among the State's private service-type industries, payroll increases of 11.2 percent in transportation-communication-public utilities, 12.4 percent in trade, and 9.3 percent in services lagged corresponding national increases by as much as 2.4 percentage points. In contrast, the State's 14.1-percent increase in finance-insurance-real estate payrolls exceeded the Nation's increase by 0.8 percentage point.

Mining payrolls increased 35.1 percent from year to year versus 59.5 percent nationally. Mining payrolls accounted for almost one-fifth of the year-to-year increase in all payrolls in Louisiana.

Both components of government payrolls in Louisiana registered increases that were among the smallest in the Nation. State and local government payrolls increased only 2.0 percent versus 6.1 percent nationally, and Federal Government payrolls increased only 4.6 percent versus 7.6 percent nationally.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I



July 1979

Chart 3.—Total Personal Income
(Seasonally adjusted)

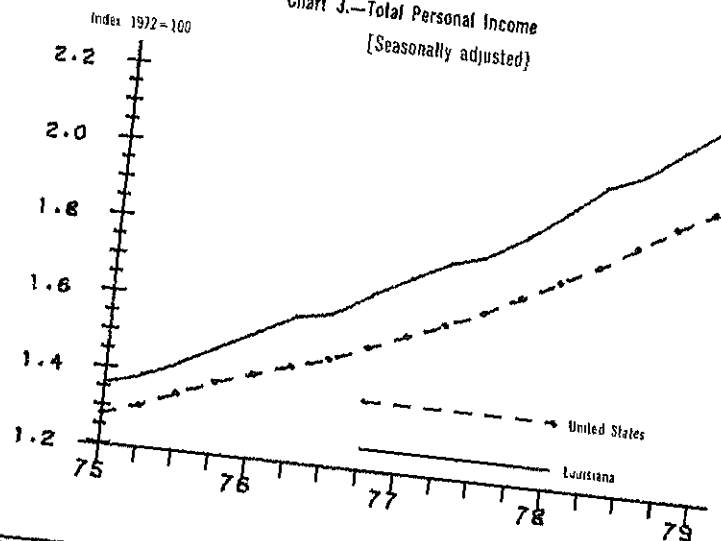
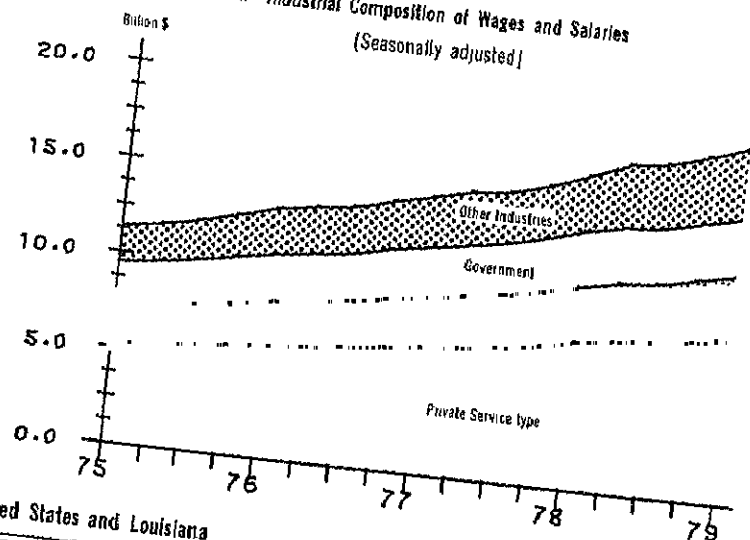


Chart 4.—Industrial Composition of Wages and Salaries
(Seasonally adjusted)



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TABLE 2.—Personal Income, United States and Louisiana

	United States		Louisiana			U.S.		State		
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I	U.S.	State
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	24,168	25,060	27,574	28,478	12.6	14.1	12.6	13.6
Farm personal income	32,083	40,141	407	402	697	763	26.3	71.2	25.1	89.6
Nonfarm personal income	1,592,582	1,789,374	23,761	24,658	26,877	27,715	12.3	13.1	12.4	12.4
Total personal income	1,624,665	1,829,515	24,168	25,060	27,574	28,478	12.6	14.1	12.6	13.6
Wage and salary disbursements	1,042,716	1,176,598	15,743	16,465	17,976	18,657	12.6	14.2	12.8	13.3
Other labor income	99,957	115,833	1,594	1,682	1,882	1,963	16.4	18.0	15.9	16.7
Proprietors' income	108,808	126,535	1,747	1,802	2,278	2,368	18.9	30.3	16.3	31.4
Farm	24,448	31,221	340	336	628	691	31.3	84.8	27.7	105.8
Nonfarm	84,360	95,314	1,408	1,467	1,650	1,678	15.3	17.2	13.0	14.4
Dividends, interest, and rent	221,191	250,595	2,761	2,835	3,039	3,131	12.8	10.0	13.3	10.5
Transfer payments	219,202	238,794	206	184	3,499	3,569	8.2	7.4	8.9	8.2
State unemployment insurance benefits	9,997	8,023	945	1,030	1,107	1,221	15.1	17.2	17.3	18.5
Less personal contributions	66,792	78,351	9	6	9	9	—	—	—	—
Plus residence adjustment	-417	-489	9	6	9	9	—	—	—	—
Wage and salary disbursements	1,042,716	1,176,598	15,743	16,465	17,976	18,657	12.6	14.2	12.8	13.3
Farm	7,215	8,422	66	65	67	70	10.6	2.6	16.7	8.2
Nonfarm	1,035,501	1,168,176	15,678	16,400	17,908	18,587	12.6	14.2	12.8	13.3
Mining	12,013	19,166	1,146	1,169	1,486	1,580	33.9	29.7	59.5	35.1
Construction	56,564	68,593	1,503	1,624	1,822	2,005	20.1	21.2	21.3	23.4
Manufacturing	285,735	325,636	1,286	1,286	3,276	3,373	13.3	13.1	14.0	14.7
Durable goods	182,321	211,944	1,612	1,656	1,475	1,474	15.2	14.7	16.2	14.6
Nondurable goods	103,414	113,692	7,292	1,658	1,801	1,899	10.0	11.7	9.9	11.4
Private service type	473,132	532,823	1,535	1,730	8,332	8,609	13.1	14.3	12.6	11.4
Transportation, communication, and public utilities	79,598	88,755	2,869	2,996	1,745	1,844	11.3	13.7	13.7	12.4
Wholesale and retail trade	177,331	201,608	716	720	798	822	14.1	13.9	13.3	14.1
Finance, insurance, and real estate	55,930	63,373	2,172	2,355	2,522	2,575	12.7	11.3	11.7	9.3
Services	160,273	179,087	2,794	2,885	2,940	2,965	6.9	5.2	6.6	2.8
Government	204,558	218,008	844	886	918	927	7.1	8.8	7.6	4.6
Federal	135,860	144,092	1,950	1,999	2,022	2,038	6.8	3.7	6.1	2.0
State and local	3,499	3,950	45	49	52	55	14.6	14.0	12.9	12.3
Other										

1 Detail may not add to totals because of rounding.
2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Louisiana¹

	United States		Louisiana			U.S.		State		
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I	U.S.	State
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	193.8	186.7	200.7	206.3	8.9	9.2	9.9	10.5
Dallas	—	—	192.7	196.2	216.0	223.1	—	12.1	—	13.7
Houston	—	—	—	—	—	—	—	—	—	—

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available
2. Average for 85 representative urban areas based on the 1970 Census of Population
Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Louisiana's civilian labor force increased 2.9 percent versus 3.2 percent nationally (table 4). Total employment increased 4.0 percent (to over 1.5 million), compared with a 3.8-percent national increase.

With employment increasing by 58,000 and the labor force increasing by 45,000, the number of unemployed declined by 13,000, to 98,000. The State's unemployment rate in 1979:I was 6.0 percent of the labor force, slightly below the 1978:I rate. The national unemployment rate in 1979:I was 6.3 percent.

Among Louisiana's major metropolitan areas, preliminary unemployment rates for March 1979, when the State's rate was 5.6 percent, ranged from 7.0 percent in Alexandria (down 2.1 percentage points since March 1978) to 3.7 percent in Lafayette (down 2.0 percentage points). In New Orleans, which accounted for 28 percent of the State's total labor force, the unemployment rate was 4.9 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Louisiana

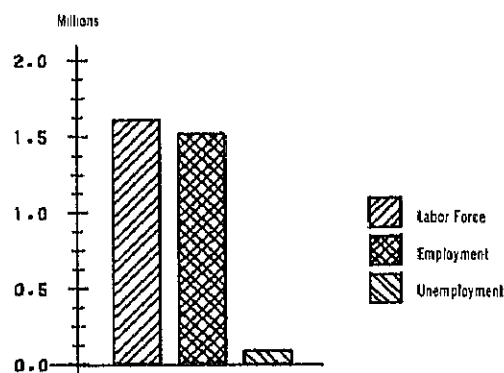


Chart 6.—Unemployment Rates, 1978:I—1979:I

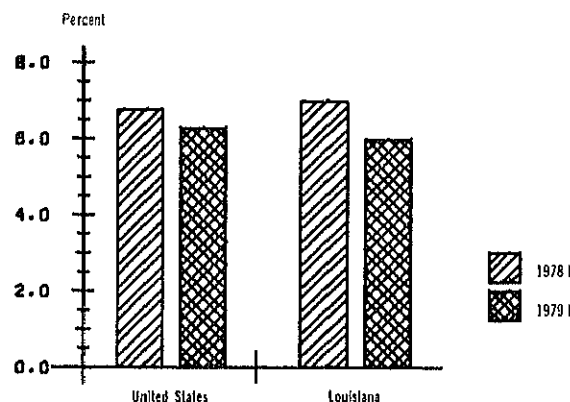


TABLE 4.—Labor Force, United States and Louisiana

	United States		Louisiana				U S	State	U S	State
	1978:I	1979 I	1977 IV	1978:I	1978 IV	1979:I	1977:IV— 1978.IV		1978:I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,395	1,398	1,434	1,432	4.2	2.8	2.9	2.4
Mining	730	896	71	71	75	78	14.4	6.1	22.7	10.3
Construction	3,784	3,973	113	113	119	119	11.2	5.6	5.0	5.0
Manufacturing	20,064	20,652	209	203	212	209	3.6	1.7	2.9	2.6
Transportation, communication, and public utilities	4,779	4,943	105	108	110	110	4.4	4.8	3.4	2.7
Wholesale and retail trade	18,937	19,549	336	332	343	340	4.5	2.0	3.2	2.2
Finance, insurance, and real estate	4,601	4,790	68	68	70	71	5.2	3.2	4.1	4.4
Services	15,758	16,149	232	236	243	245	4.4	4.7	2.5	3.5
Government	15,435	15,648	262	267	262	260	1.4	1	1.4	-2.4
Civilian labor force ³	98,106	101,260	1,559	1,575	1,619	1,620	3.1	3.8	3.2	2.9
Total employed	91,401	94,901	1,460	1,464	1,516	1,522	3.9	3.8	3.8	4.0
Total unemployed	6,705	6,360	99	111	103	98	-8.8	3.9	-5.1	-11.9
Percent unemployed	6.8	6.3	6.3	7.0	6.3	6.0	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

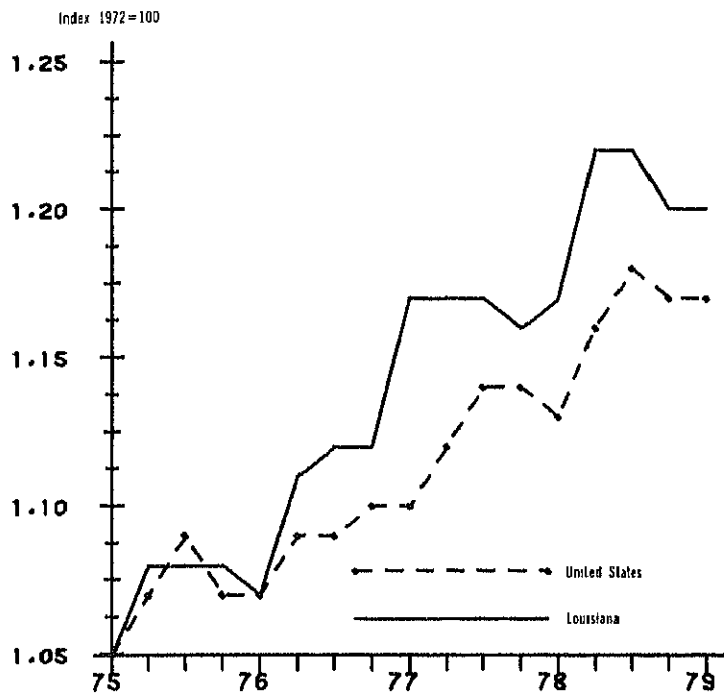


Chart 8.—Civilian Employment

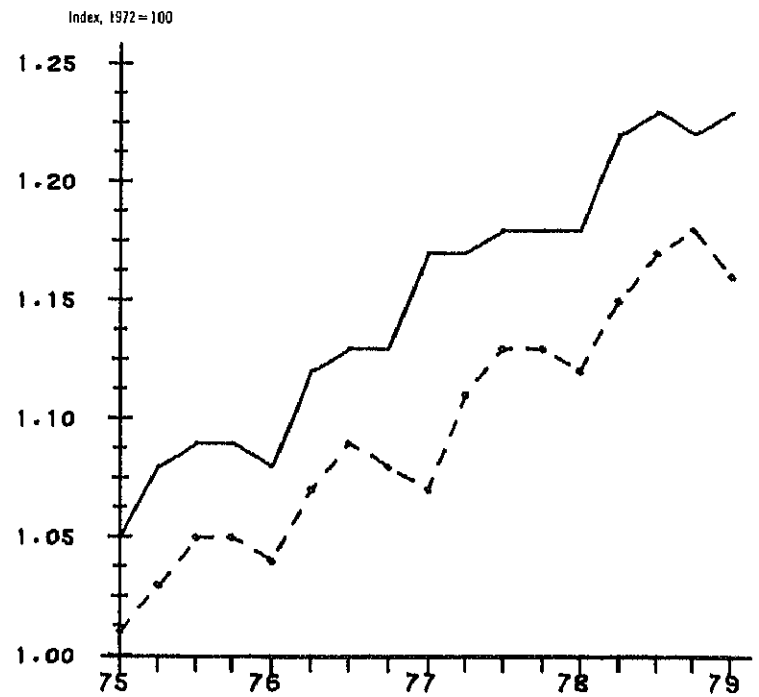


Chart 9.—Unemployment Rate

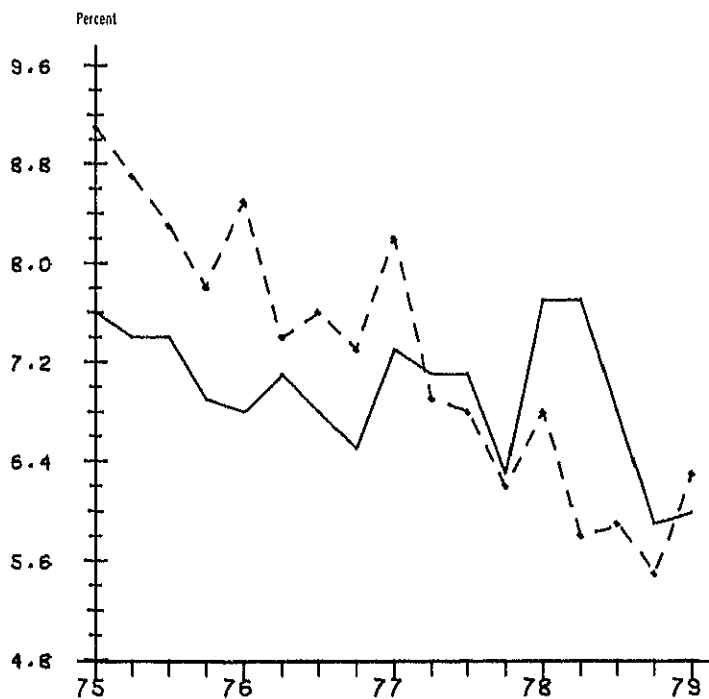
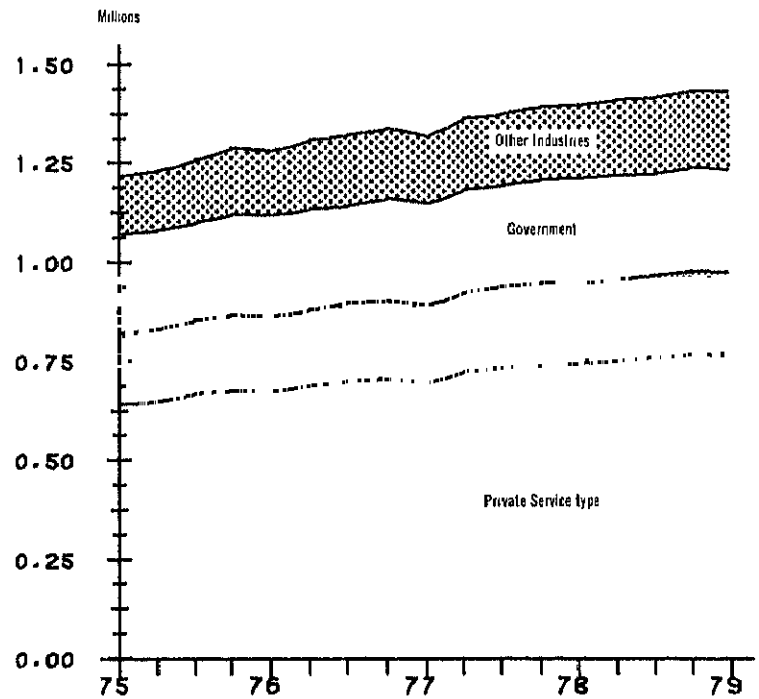


Chart 10.—Industrial Composition of Nonagricultural Employment: Louisiana



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Louisiana

	United States		Louisiana				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	8,981	9,191	10,541	n.a.	15.6	17.4	---	---
Commercial and industrial	202,241	na	2,919	2,945	3,297	na	13.3	13.0	---	---
Loans to individuals	143,356	na	2,462	2,526	2,880	na	18.7	17.0	---	---
Real estate	183,599	na	2,789	2,942	3,469	na	19.6	24.4	---	---
Residential	104,830	na.	1,068	1,145	1,425	na	22.1	33.5	---	---
Farms	7,919	na.	156	173	192	na	9.6	22.9	---	---
Other	70,851	na	1,565	1,624	1,852	na	17.0	18.3	---	---
Farms, excluding real estate	25,440	na	233	244	261	na	9.5	12.2	---	---
Other	64,581	na	579	535	634	na	7.9	9.5	---	---
Total deposits	911,772	na	14,725	14,727	16,241	n.a.	9.3	10.3	---	---
Demand	344,245	na	6,024	5,631	6,410	na	5.6	6.4	---	---
Time and savings	567,527	na	8,701	9,096	9,831	n.a.	11.9	13.0	---	---

1. Detail may not add to totals because of rounding

2. Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 17.4 percent (\$1.6 billion) in Louisiana from 1977:IV to 1978:IV versus 15.6 percent nationally (table 5). In 1978:IV, bank loans totaled \$10.5 billion in the State. Louisiana's above-national-average increase was largely due to a 24.4-percent increase in real estate loans, one of the largest increases in the Nation, compared with a national increase of 19.6 percent. Increases in Louisiana of 33.5 percent in residential real estate loans and 22.9 percent in farm real

estate loans were among the largest increases in the Nation. The 12.2-percent increase in the State's farm loans, excluding those for real estate, was also one of the Nation's largest increases. In contrast, loans to individuals increased 17.0 percent in Louisiana versus 18.7 percent nationally, and commercial and industrial loans increased 13.0 percent versus 13.3 percent nationally.

Total deposits increased 10.3 percent (\$1.5 billion) from 1977:IV to 1978:IV versus 9.3 percent nationally. In 1978:IV, bank deposits totaled \$16.2 billion in the State. Time and savings deposits increased 13.0 percent from year to year versus 11.9 percent nationally, and demand deposits increased 6.4 percent versus 5.6 percent nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 23.8 percent (\$190.1 million), to \$987.9 million, versus 19.8 percent nationally (table 6). In 1979 I, a \$150 million contract for the construction of a chemical plant in Iberville Parish raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. If the Iberville Parish contract is excluded, the total valuation of contracts in Louisiana would have increased only 5.0 percent.

National construction costs increased about 14 percent from 1978:I to 1979:I, and if this national increase is representative of the cost increase throughout the State, the real increase in the total valuation of contracts in Louisiana (including the Iberville Parish contract) was about 10 percent versus a real increase nationally of about 6 percent.

Primarily reflecting the Iberville Parish contract, nonresidential contracts increased 117.4 percent (\$203.5 million) in valuation versus 28.0 percent nationally.

Nonbuilding contracts, in contrast, increased 10.7 percent (\$15.7 million) in valuation, compared with a national increase of 23.7 percent. Street and highway contracts, a major component of nonbuilding contracts, increased only 2.3 percent (\$922,000) in valuation versus 61.2 percent nationally.

The valuation of contracts for additions and alterations to Louisiana's residential housekeeping units increased 25.5 percent (\$25.5 million) from year to year, 7.6 percentage points more than nationally. The valuation of contracts for new residential housekeeping units, in contrast, declined 12.4 percent (\$45.1 million) in the State versus a national increase of 11.8 percent. Louisiana's decline was exceeded only by the 22.1-percent decline in Missouri. Similarly, the number of dwelling units started in the State declined 21.8 percent (2,364 units) to 8,479, compared with a national increase of 2.6 percent; Louisiana's decline was the largest in the Southeast region.

Chart 14.—Construction Contracts—Total Valuation

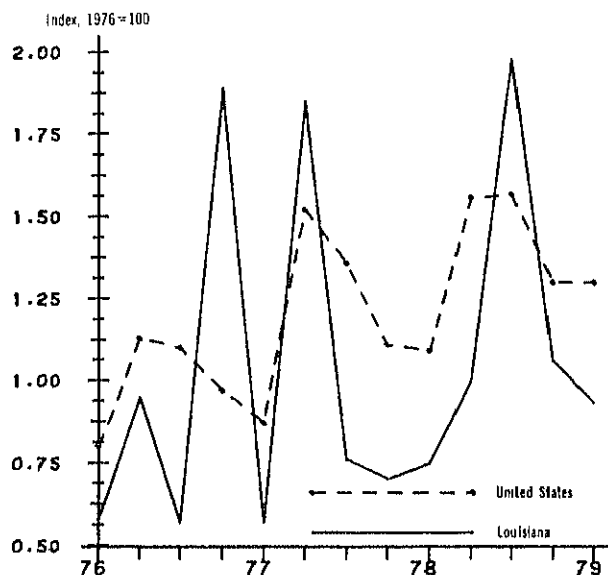


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Louisiana

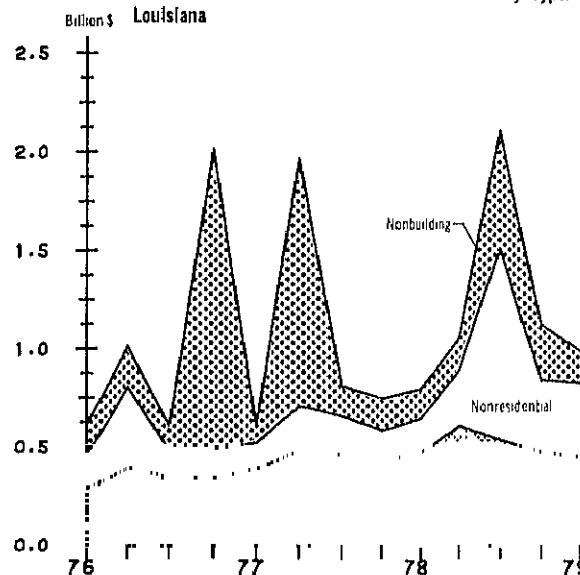


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

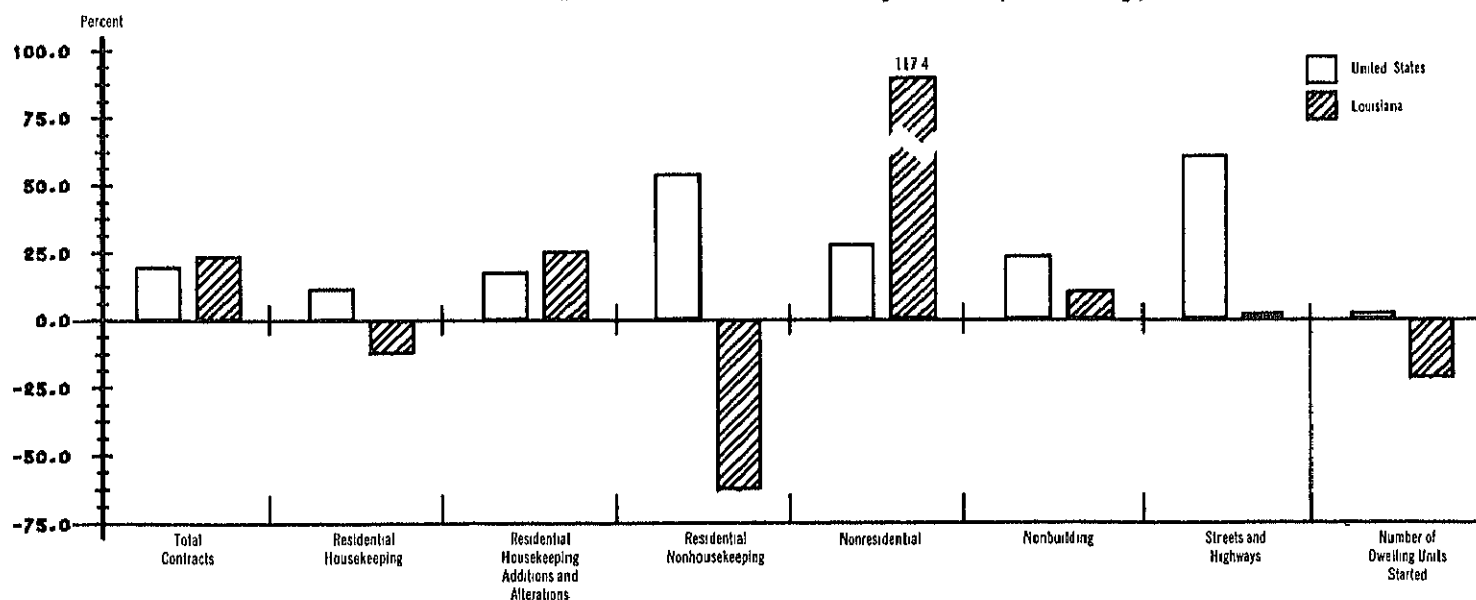


TABLE 6.—Construction Contracts, United States and Louisiana¹

	United States		Louisiana				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	744,979	797,824	1,124,545	987,910	16.8	50.9	19.8	23.8
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	116,422	99,851	148,781	125,354	14.6	27.8	17.9	25.5
All other contracts										
Number of contracts	53,028	53,454	1,257	1,180	1,268	1,037	-9.3	9	.8	-12.1
Valuation (thousands of dollars)	32,202,931	38,675,376	628,557	697,973	975,764	862,556	17.3	55.2	20.1	23.6
Floor area (thousands of square feet)	807,538	904,811	17,742	20,672	18,861	18,966	10.3	6.3	12.0	-8.2
Residential housekeeping										
Number of contracts	13,592	14,399	279	257	242	262	-4.3	-13.3	5.9	1.9
Number of dwelling units	404,171	414,826	9,794	10,843	8,374	8,479	-1.2	-14.5	2.6	-21.8
Valuation (thousands of dollars)	13,806,696	15,431,523	315,481	362,330	317,273	317,275	15.6	6	11.8	-12.4
Floor area (thousands of square feet)	546,445	571,860	13,430	15,103	12,632	12,605	10.7	-5.9	4.7	-16.5
Residential nonhousekeeping										
Number of contracts	441	464	13	11	11	9	-4	-15.4	5.2	-18.2
Valuation (thousands of dollars)	327,201	504,158	3,798	15,242	10,801	5,664	54.9	184.4	54.1	-62.8
Floor area (thousands of square feet)	8,179	11,483	84	282	266	89	34.7	217.4	40.4	-68.5
Nonresidential										
Number of contracts	25,282	23,514	548	538	567	457	-12.0	3.5	-7.0	-15.1
Valuation (thousands of dollars)	9,056,146	11,595,243	148,447	173,334	365,100	376,845	16.3	145.9	28.0	117.4
Floor area (thousands of square feet)	252,915	321,468	4,228	5,287	5,962	6,272	8.7	41.0	27.1	18.6
Nonbuilding										
Number of contracts	13,713	15,077	417	374	448	309	-9.1	7.4	9.9	-17.4
Valuation (thousands of dollars)	9,012,888	11,144,452	160,831	147,067	282,590	162,772	20.6	75.7	23.7	10.7
Streets and Highways										
Number of contracts	3,989	4,750	179	107	129	70	-17.8	-27.9	19.1	-34.6
Valuation (thousands of dollars)	1,399,453	2,255,221	102,035	39,486	68,331	40,408	-18.1	-33.0	61.2	2.3

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Louisiana totaled \$3.2 billion in 1979:I, up 16.4 percent increase (table 7). In 1979:I, nondurable goods totaled \$1.9 billion, and (\$451 million) since 1978:I, compared with a 15.8-percent national durable goods totaled \$1.3 billion.

TABLE 7.—Retail Sales, United States and Louisiana

	United States		Louisiana				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	3,207	2,742	3,396	3,193	11.2	5.9	15.8	16.4
Durable goods	55,388	68,203	n a	n a	1,216	1,270	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n a	n a	2,180	1,923	9.2	---	12.3	---

n a Data not available

Source: U.S. Department of Commerce, Bureau of Census

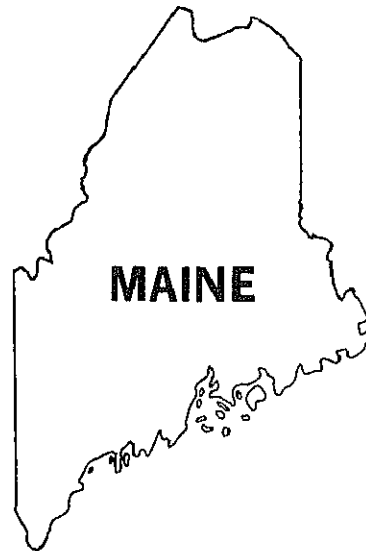
TABLE 8.—Business Incorporations and Failures, United States and Louisiana

	United States		Louisiana				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n a	1,922	2,403	2,028	n a	13.2	5.5	---	---
Total number of business failures	1,729	n a	9	23	36	n a	-4.9	300.0	---	---
Current liabilities (thousands of dollars)	697,734	n a	1,474	6,649	9,825	n a	13.7	566.6	---	---
Average liability per failure (thousands of dollars)	404	n a	164	289	273	n a	19.4	66.5	---	---
Business failures by industry										
Mining and manufacturing	271	n a	0	1	7	n a	6.0	---	---	---
Construction	279	n a	3	5	6	n a	-8.2	100.0	---	---
Wholesale trade	205	n a	3	2	3	n a	-6.3	.0	---	---
Retail trade	769	n a	3	14	21	n a	-4	600.0	---	---
Commercial services	205	n a	0	1	3	n a	-23.5	---	---	---

n a Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 11.2%, 1.4 percentage points less than in U.S.
- Wages and salaries also up less than in U.S.
- Payroll increases weak in most industries

Consumer prices

- Up 7.9% in Boston vs. 9.9% in U.S.

Employment

- Up 4.7% vs. 3.8% in U.S., to 436,000

Unemployment

- Little changed, at about 35,000
- Rate unchanged, at 7.6% of labor force vs. 6.3% in U.S.

Construction

- Total valuation of contracts up 27.1% vs. 19.8% in U.S., to \$134 million
- Valuation of residential housekeeping and nonresidential contracts especially strong
- Number of dwelling-unit starts up 16.9% vs. 2.6% in U.S., to 1,113

TABLE 1.—Summary of Economic Indicators, United States and Maine

	United States		Maine				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	6,433	6,650	7,198	7,395	12.6	11.9	12.6	11.2
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	3,870	4,047	4,383	4,517	12.6	13.3	12.8	11.6
Civilian employment (thousands)	91,401	94,901	434	417	447	436	3.9	3.1	3.8	4.7
Unemployment (thousands)	6,705	6,360	35	34	25	36	-8.8	-27.0	-5.1	5.4
Percent unemployed (unemployment/labor force)	6.8	6.3	7.4	7.6	5.3	7.6	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	1,729	1,760	1,909	n.a.	15.6	10.4	---	---
Total deposits (millions of dollars)	911,772	n.a.	2,391	2,380	2,591	n.a.	9.3	8.4	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	172,941	105,835	181,949	134,464	16.8	5.2	19.8	27.1
Dwelling units started (number)	404,171	414,826	1,856	952	1,713	1,113	-2	-7.7	2.6	16.9
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	413	456	438	n.a.	13.2	6.1	---	---
Business failures (number)	1,729	n.a.	0	19	0	n.a.	-4.9	---	---	---
Consumer Price Index (1967=100):										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Boston	---	---	185.3	187.7	199.2	202.5	---	7.5	---	7.9

n.a., Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.2 percent from 1978:I to 1979:I, 1.4 percentage points less than nationally (table 2). In 1979:I, Maine's total personal income was \$7.4 billion, for an increase of \$0.7 billion since 1978:I. Maine's increase was the second smallest in the New England region, after Rhode Island's.

Consumer prices in Boston, the metropolitan area closest to Maine for which price data are available, increased 7.9 percent from 1978:I to 1979:I versus a national increase of 9.9 percent (table 3). If Boston's index is used as an indicator for price movements in the State, real total personal income in Maine increased 3.3 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 11.6 percent in Maine versus 12.8 percent in the Nation. In 1979:I, payrolls totaled \$4.5 billion, up \$0.5 billion since 1978:I. Construction and durable goods manufacturing were particularly weak. Payrolls in construction increased only 12.2 percent in Maine versus 21.3 percent in the Nation. Similarly, payrolls in durable goods manufacturing increased only 7.7 percent in Maine, an increase less than one-half as large as nationally. In contrast, nondurable goods payrolls increased 14.9 percent, 5 percentage points more than in the Nation. Among all States, only 10 had larger increases. Maine's increase was particularly important, because nondurable goods payrolls accounted for just under 20 percent of total payrolls in Maine in 1979:I versus a national weight of under 10 percent.

Payrolls in private service-type industries increased somewhat more than 12.5 percent in both the State and Nation. The increase in the State in finance-insurance-real estate was particularly weak; in contrast, the increases in trade and services were stronger in the State than in the Nation.

Federal Government payrolls increased 12.6 percent versus 7.6 percent nationally. In contrast, State and local government payrolls increased only 5.1 percent in Maine versus 6.1 percent in the Nation.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

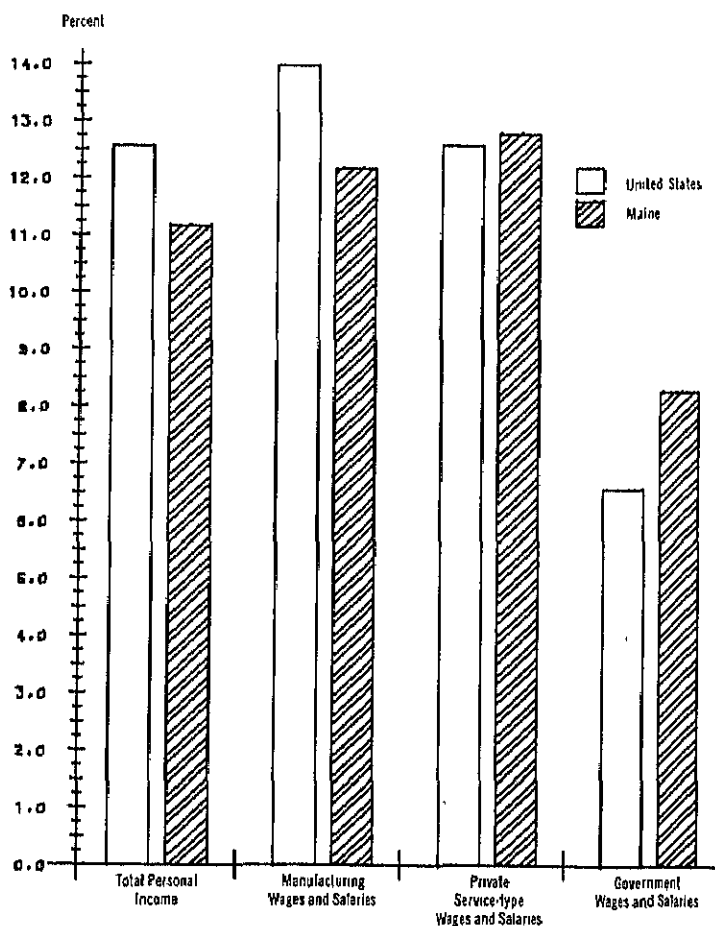


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

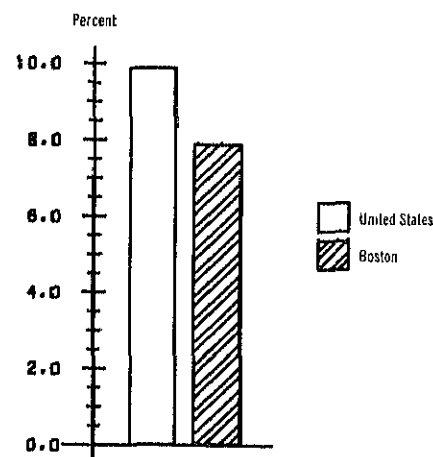


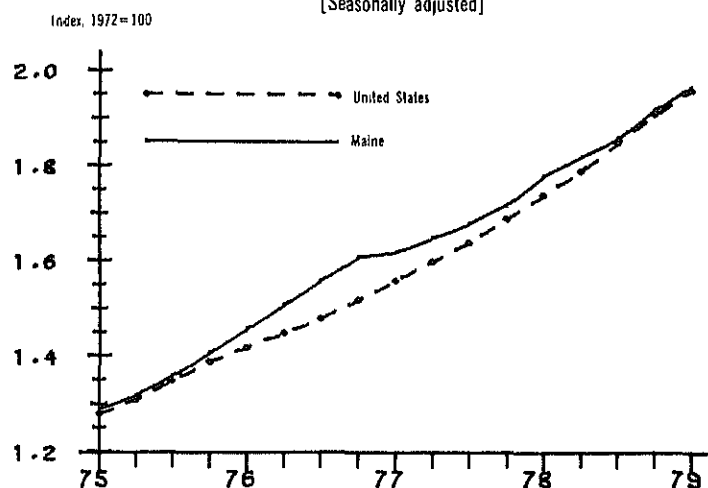
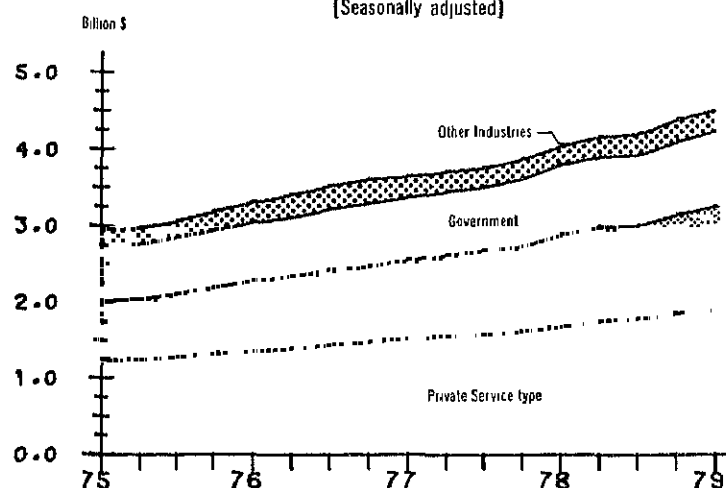
Chart 3.—Total Personal Income
[Seasonally adjusted]Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

TABLE 2.—Personal Income, United States and Maine

	United States		Maine				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV		1978:I-- 1979:I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	6,433	6,650	7,198	7,395	12.6	11.9	12.6	11.2
Farm personal income	32,083	40,141	84	71	75	76	26.3	-10.3	25.1	6.3
Nonfarm personal income	1,592,582	1,789,374	6,349	6,579	7,123	7,319	12.3	12.2	12.4	11.3
Total personal income	1,624,665	1,829,515	6,433	6,650	7,198	7,395	12.6	11.9	12.6	11.2
Wage and salary disbursements	1,042,716	1,176,598	3,870	4,047	4,383	4,517	12.6	13.3	12.8	11.6
Other labor income	99,957	115,833	377	400	436	453	16.4	15.9	15.9	13.1
Proprietors' income	108,808	126,535	454	452	495	494	18.9	8.9	16.3	9.2
Farm	24,448	31,221	45	33	33	31	31.3	-27.2	27.7	-4.8
Nonfarm	84,360	95,314	409	419	462	463	15.3	12.9	13.0	10.3
Dividends, interest, and rent	221,191	250,595	854	878	959	992	12.8	12.3	13.3	13.0
Transfer payments	219,202	238,794	1,145	1,161	1,229	1,268	8.2	7.3	8.9	9.2
State unemployment insurance benefits	9,997	8,023	71	64	43	56	-30.3	-39.9	-19.7	-11.5
Less: personal contributions	66,792	78,351	241	263	277	303	15.1	15.1	17.3	15.4
Plus: residence adjustment	-417	-489	-26	-26	-27	-26	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	3,870	4,047	4,383	4,517	12.6	13.3	12.8	11.6
Farm	7,215	8,422	35	35	38	40	10.6	9.4	16.7	15.4
Nonfarm	1,035,501	1,168,176	3,835	4,012	4,345	4,477	12.6	13.3	12.8	11.6
Mining	12,013	19,166	2	1	2	2	33.9	-23.7	59.5	21.1
Construction	56,564	68,593	199	202	223	226	20.1	12.2	21.3	12.2
Manufacturing	285,735	325,636	1,123	1,213	1,298	1,361	13.3	15.6	14.0	12.2
Durable goods	182,321	211,944	402	449	460	484	15.2	14.5	16.2	7.7
Nondurable goods	103,414	113,692	722	764	838	877	10.0	16.2	9.9	14.9
Private service-type	473,132	532,823	1,617	1,676	1,835	1,890	13.1	13.5	12.6	12.8
Transportation, communication, and public utilities	79,598	88,755	253	249	266	271	11.3	5.1	11.5	8.8
Wholesale and retail trade	177,331	201,608	641	677	762	783	14.1	18.8	13.7	15.8
Finance, insurance, and real estate	55,930	63,373	161	169	180	182	13.2	11.4	13.3	7.5
Services	160,273	179,087	562	581	627	654	12.7	11.7	11.7	12.6
Government	204,558	218,008	879	905	971	980	6.9	10.5	6.6	8.3
Federal	68,698	73,916	372	387	429	435	7.1	15.2	7.6	12.6
State and local	135,860	144,092	507	519	542	545	6.8	7.0	6.1	5.1
Other	3,499	3,950	14	15	16	17	14.6	13.5	12.9	11.9

1. Detail may not add to totals because of rounding

2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Maine¹

	United States		Maine				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978 IV		1978 I— 1979:I	
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Boston	---	---	185.3	187.7	199.2	202.5	---	7.5	---	7.9

¹ Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.² Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, the civilian labor force increased 4.8 percent in Maine, 1.6 percentage points more than in the Nation (table 4). Among all States, Maine's increase was the 11th largest and, along with Connecticut's, was the largest in the New England region. Total employment in Maine increased 4.7 percent, 0.9 percentage point more than in the Nation, to 436,000.

With both the labor force and employment increasing about 20,000, the number of unemployed was little changed, at about 35,000. The State's unemployment rate also was unchanged over the year, at 7.6 percent versus 6.3 percent nationally in 1979:I. Maine's unemployment rate was

the 10th highest in the Nation and the second highest in the New England region, after Rhode Island's. Maine and Massachusetts (where the rate also was unchanged) were the only New England States that did not register year-to-year declines in the unemployment rate.

In March 1979, the preliminary unemployment rate in the State was 7.5 percent, down 0.4 percentage point from the March 1978 rate. The March 1979 unemployment rate in Lewiston-Auburn was 6.7 percent, up somewhat from the year-ago rate, and the rate in Portland was 5.4 percent, unchanged from the year-ago rate.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Maine

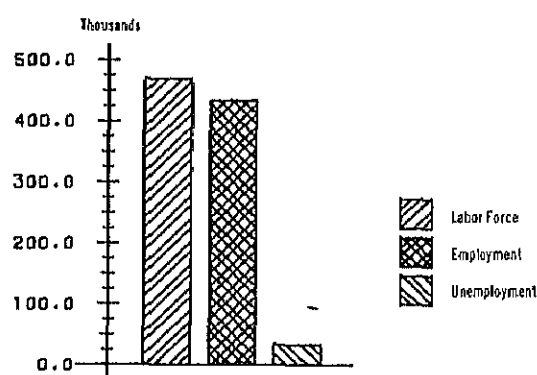


Chart 6.—Unemployment Rates, 1978:I—1979:I

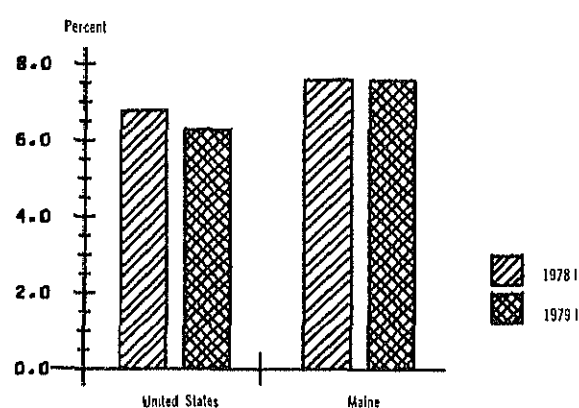


TABLE 4.—Labor Force, United States and Maine

	United States		Maine				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978:I	1978:IV	1979 I	1977.IV— 1978.IV		1978:I— 1979 I	
	Thousands of persons, not seasonally adjusted¹						Percent change²			
Employees on nonagricultural payrolls	84,207	86,680	394	382	411	399	4.2	4.5	2.9	4.2
Mining and services	16,488	17,045	67	66	69	69	4.9	4.2	3.4	4.9
Construction	3,784	3,973	20	15	20	15	11.2	—5	5.0	—2.6
Manufacturing	20,064	20,652	109	108	113	113	3.6	4.4	2.9	4.8
Transportation, communication, and public utilities	4,779	4,943	18	17	18	18	4.4	1.1	3.4	2.3
Wholesale and retail trade	18,937	19,549	85	81	91	87	4.5	7.9	3.2	7.1
Finance, insurance, and real estate	4,601	4,790	16	16	16	16	5.2	3.2	4.1	1.9
Government	15,435	15,648	81	80	83	82	1.4	3.3	1.4	2.1
Civilian labor force¹	98,106	101,260	469	451	473	473	3.1	.9	3.2	4.8
Total employed	91,401	94,901	434	417	447	436	3.9	3.1	3.8	4.7
Total unemployed	6,705	6,360	35	34	25	36	—8.8	—27.0	—5.1	5.4
Percent unemployed	6.8	6.3	7.4	7.6	5.3	7.6	—	—	—	—

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

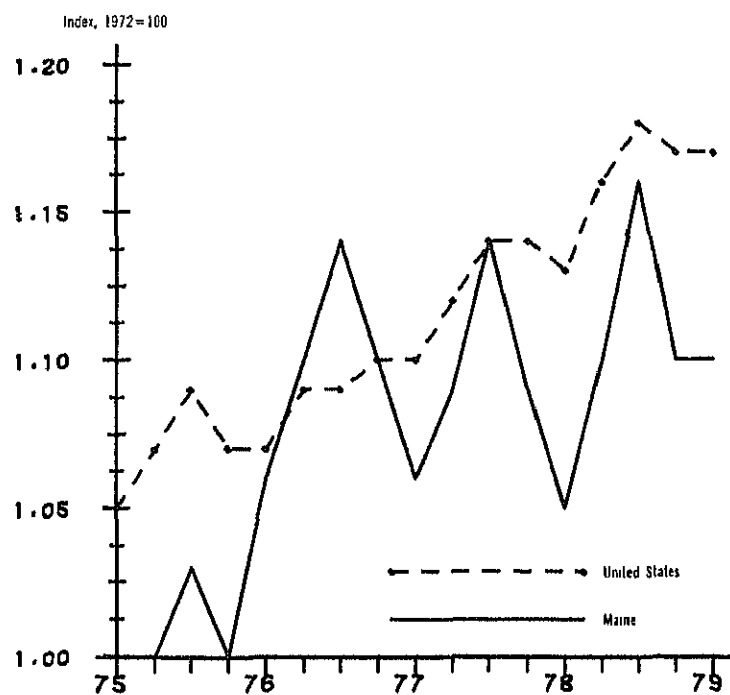


Chart 8.—Civilian Employment

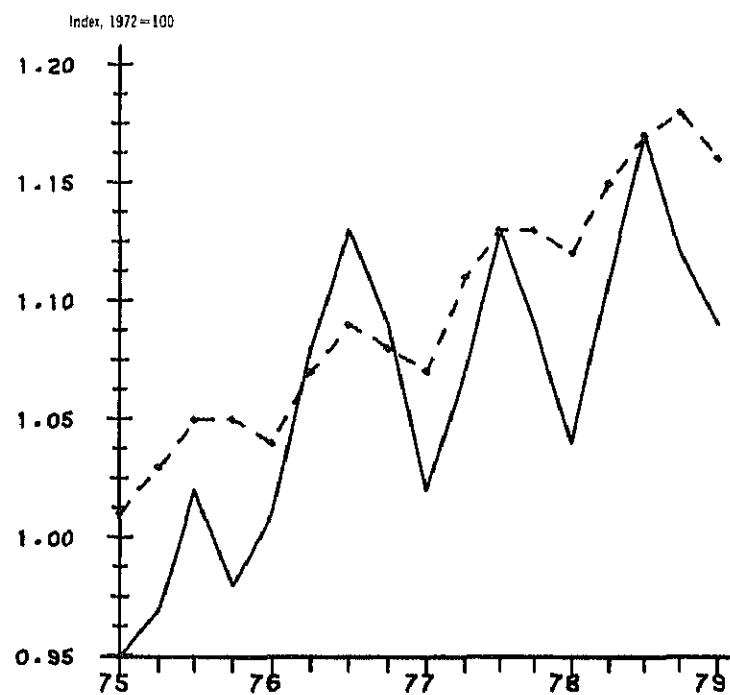


Chart 9.—Unemployment Rate

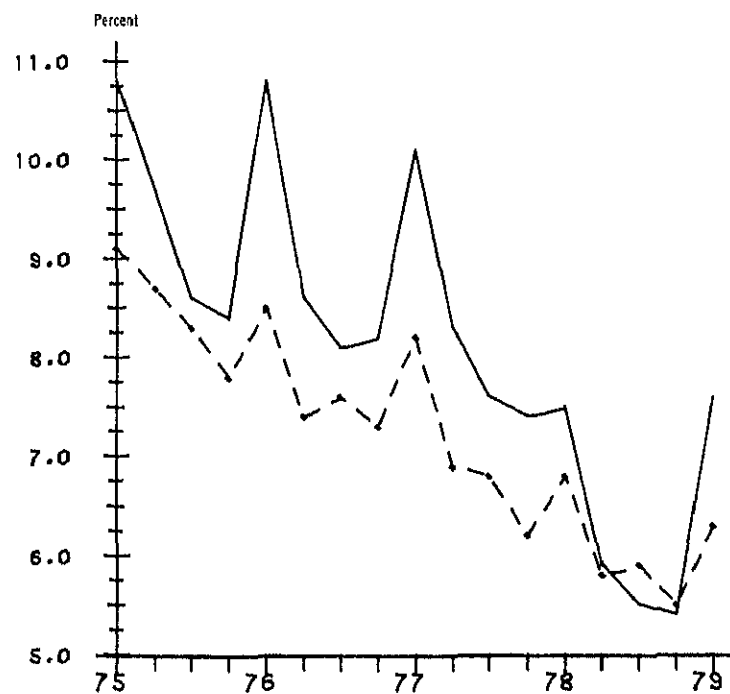
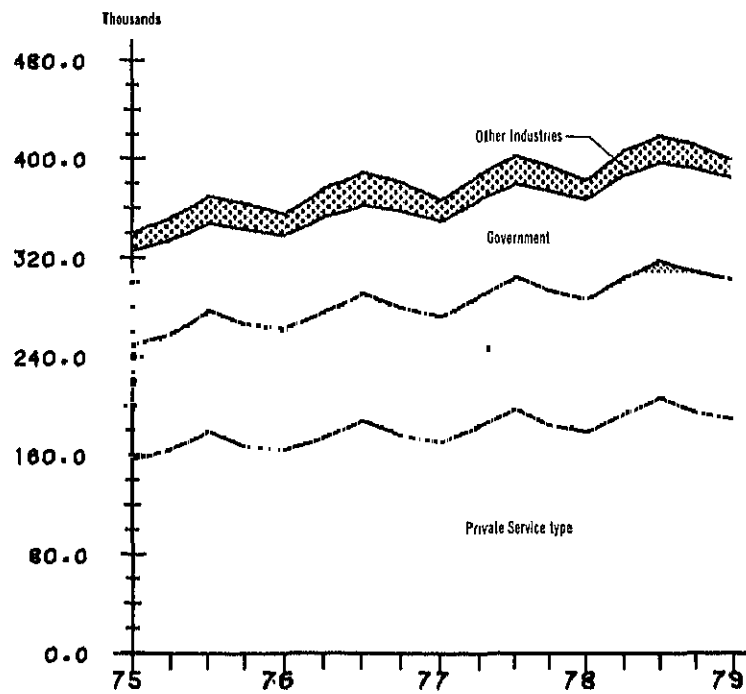


Chart 10.—Industrial Composition of Nonagricultural Employment: Maine



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Maine

	United States			Maine			U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n a	1,729	1,760	1,909	n.a.	15.6	10.4	---	---
Commercial and industrial	202,241	n a	511	540	548	n a	13.3	7.3	---	---
Loans to individuals	143,356	n a	503	501	561	n a	18.7	11.6	---	---
Real estate	183,599	n a	670	679	758	n a	19.6	13.1	---	---
Residential	104,830	n a	321	326	362	n a	22.1	12.6	---	---
Farms	7,919	n a	7	7	8	n a	9.6	3.0	---	---
Other	70,851	n a	342	346	389	n a	17.0	13.7	---	---
Farms, excluding real estate	25,440	n a	19	17	15	n a	9.5	-17.7	---	---
Other	64,581	n a	27	24	26	n a	7.9	-4.0	---	---
Total deposits	911,772	n.a.	2,391	2,380	2,591	n a.	9.3	8.4	---	---
Demand	344,245	n a	788	693	793	n a.	5.6	8	---	---
Time and savings	567,527	n a	1,604	1,688	1,798	n a.	11.9	12.1	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 10.4 percent from 1977:IV to 1978:IV in Maine versus an increase of 15.6 percent in the Nation (table 5). In 1978:IV, Maine's loans totaled \$1.9 billion, for an increase of \$0.2 billion since 1977:IV. Among all States, only five had smaller increases than Maine. The increase in each major loan category was smaller in the State than in the Nation. Commercial and industrial loans increased 7.3 percent, slightly more than one-half of the Nation's increase. Loans to individuals increased 11.6 percent in Maine versus 18.7 percent in the

Nation. Real estate loans increased 13.1 percent versus 19.6 percent in the Nation.

Total deposits increased 8.4 percent in Maine from 1977:IV to 1978:IV, 0.9 percentage point less than in the Nation. In 1978:IV, deposits totaled \$2.6 billion, for an increase of \$0.2 billion since 1977:IV. Weakness in the State centered in demand deposits, which increased only 0.8 percent versus 5.6 percent in the Nation. Among all States, only West Virginia, Massachusetts, and Alaska had smaller changes. In sharp contrast, time and savings deposits increased about 12.0 percent in both the State and Nation.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 27.1 percent in Maine versus 19.8 percent in the Nation (table 6). Among all States, Maine's increase ranked 18th; among the New England States, it ranked third, after increases in Rhode Island and Connecticut. In 1979:I, contracts in Maine totaled \$134 million, for an increase over the year of \$29 million. All major construction categories in the State had increases in the valuation of contracts.

Nationally, construction costs increased about 14 percent; if this national increase is representative of cost changes in Maine, the real valuation of construction contracts would have increased about 13 percent versus about 6 percent nationally.

The new residential housekeeping market was strong in Maine, as it was in most Northeast States. Both the valuation of residential housekeeping contracts and the number of dwelling units started recovered sharply from unusually low levels in 1978:I, when the weather in the Northeast was even more severe than in 1979:I. The valuation of residential housekeeping contracts increased 43.4 percent in Maine versus 11.8 percent in the Nation. Among all States, Maine's increase ranked eighth; among the New England States, it ranked fourth, after

increases in Connecticut, Massachusetts, and New Hampshire. Although the valuation of contracts for residential housekeeping units accounted for about one-third of the total valuation of all contracts in Maine in 1979:I, the increase in the valuation (\$15 million) accounted for one-half of the increase in the valuation of all State contracts from 1978:I to 1979:I. The number of dwelling units started increased 16.9 percent, 161 units, to 1,113 units versus an increase in the Nation of only 2.6 percent. Among all States, Maine's increase ranked 15th; among the New England States, it ranked 5th. In contrast, the increase in the valuation of contracts for additions and alterations to residential housekeeping units in the State was only 8.7 percent, well below the increase in the Nation of 17.9 percent.

The valuation of nonresidential contracts increased 60.9 percent in Maine versus 28.0 percent in the Nation.

In sharp contrast, the valuation of nonbuilding contracts increased only 9.2 percent in Maine versus 23.7 percent in the Nation. Some of the weakness was traceable to street and highway contracts, which declined 9.6 percent in valuation in the State versus an increase of 61.2 percent in the Nation.

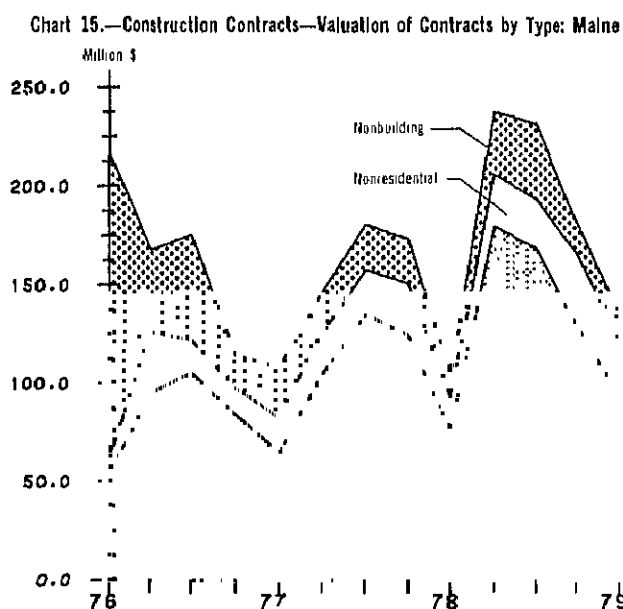
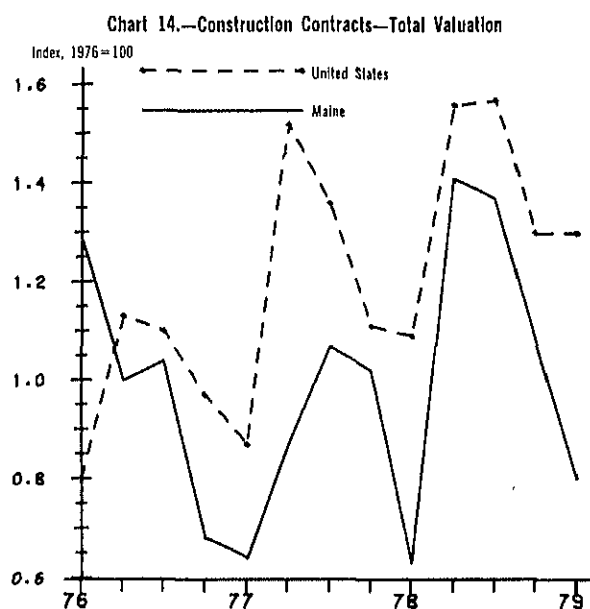


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

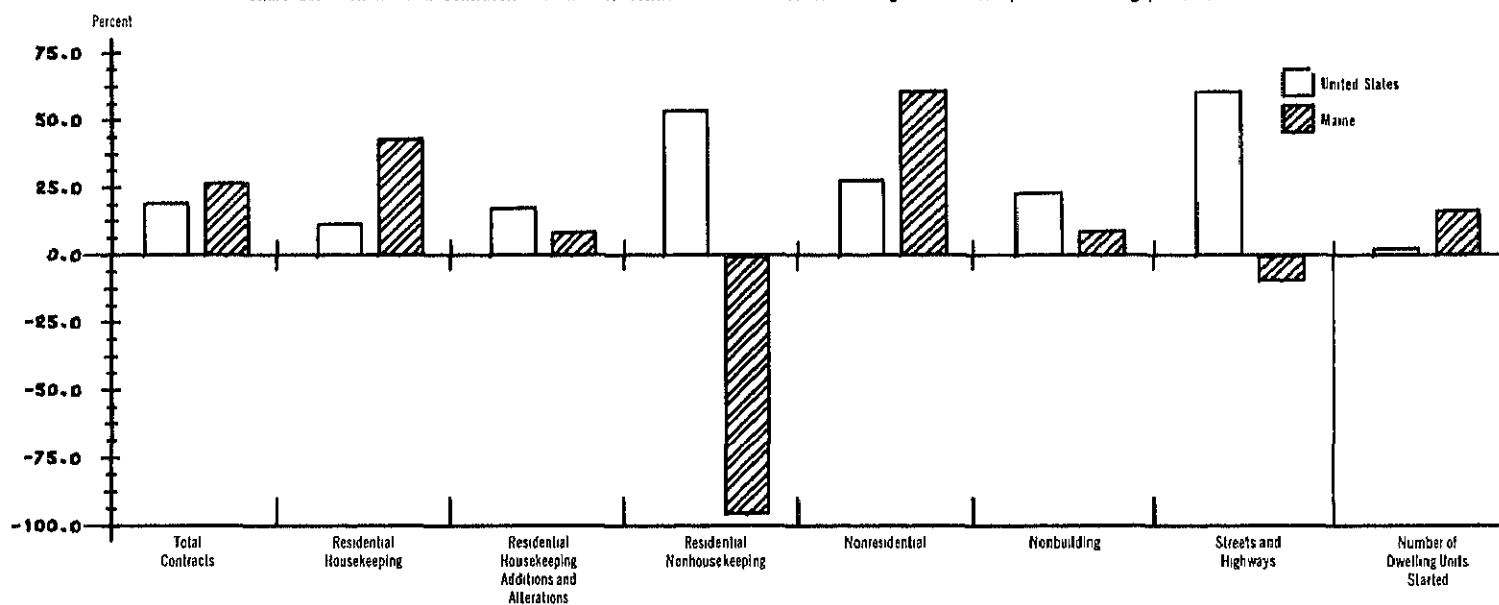


TABLE 6.—Construction Contracts, United States and Maine¹

	United States		Maine				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	172,941	105,835	181,949	134,464	16.8	5.2	19.8	27.1
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	55,334	41,778	55,070	45,418	14.6	- 5	17.9	8.7
All other contracts										
Number of contracts	53,028	53,454	241	152	243	175	-9.3	8	8	15.1
Valuation (thousands of dollars)	32,202,931	38,675,376	117,607	64,057	126,879	89,046	17.3	7.9	20.1	39.0
Floor area (thousands of square feet)	807,538	904,811	3,328	2,105	3,971	2,371	10.3	19.3	12.0	12.6
Residential housekeeping										
Number of contracts	13,592	14,399	66	59	64	66	-4.3	-3.0	5.9	11.9
Number of dwelling units	404,171	414,826	1,856	952	1,713	1,113	- 2	-7.7	2.6	16.9
Valuation (thousands of dollars)	13,806,696	15,431,523	67,887	33,948	74,423	48,696	15.6	9.6	11.8	43.4
Floor area (thousands of square feet)	546,445	571,860	2,682	1,422	2,902	1,672	10.7	8.2	4.7	17.6
Residential nonhousekeeping										
Number of contracts	441	464	1	0	1	1	- 4	0	5.2	---
Valuation (thousands of dollars)	327,201	504,158	924	800	34	33	54.9	-96.3	54.1	-95.9
Floor area (thousands of square feet)	8,179	11,483	20	40	0	0	34.7	---	40.4	---
Nonresidential										
Number of contracts	25,282	23,514	80	49	100	44	-12.0	25.0	-7.0	-10.2
Valuation (thousands of dollars)	9,056,146	11,595,243	26,207	16,056	36,755	25,841	16.3	40.2	28.0	60.9
Floor area (thousands of square feet)	252,915	321,468	626	644	1,069	699	8.7	70.7	27.1	8.7
Nonbuilding										
Number of contracts	13,713	15,077	94	44	78	64	-9.1	-17.0	9.9	45.5
Valuation (thousands of dollars)	9,012,888	11,144,452	22,589	13,253	15,667	14,476	20.6	-30.6	23.7	9.2
Streets and Highways										
Number of contracts	3,989	4,750	21	11	21	16	-17.8	0	19.1	45.5
Valuation (thousands of dollars)	1,399,453	2,255,221	6,415	6,083	5,605	5,496	-18.1	-12.6	61.2	-9.6

¹ Contracts started or expected to start within 60 days² Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Maine are not available.

TABLE 7.—Retail Sales, United States and Maine

	United States		Maine				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

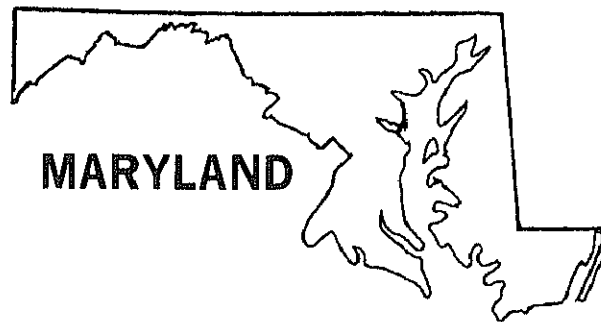
TABLE 8.—Business Incorporations and Failures, United States and Maine

	United States		Maine				U S	State	U S	State
	1978.I	1979 I	1977 IV	1978 I	1978 IV	1979:I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	413	456	438	n.a.	13.2	6.1	---	---
Total number of business failures	1,729	n.a.	0	19	0	n.a.	-4.9	---	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	0	3,023	0	n.a.	13.7	---	---	---
Average liability per failure (thousands of dollars)	404	n.a.	0	159	0	n.a.	19.4	---	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	3	0	n.a.	6.0	---	---	---
Construction	279	n.a.	0	1	0	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	0	2	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	0	11	0	n.a.	-4	---	---	---
Commercial services	205	n.a.	0	2	0	n.a.	-23.5	---	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 9.9% vs. 12.6% in U.S., to \$36.4 billion —Payrolls up 7.7% in construction vs. 21.3% in U.S. and 9.0% in trade vs. 13.7% in U.S.
Consumer prices	—Up 6.1% in Baltimore and 10.9% in Washington, D.C. vs. 9.9% in U.S.
Employment	—Up 4.0% vs. 3.8% in U.S., to 1.9 million
Unemployment	—Up 12,000, to 139,000 —Rate up to 6.8% of labor force vs. 6.3% U.S. rate
Construction	—Total valuation of contracts down 1.1% vs. 19.8% increase in U.S. —Valuation of nonbuilding contracts down 42.2% vs. 23.7% increase in U.S. —Number of dwelling-unit starts up 16.8% vs. 2.6% in U.S.
Retail sales	—Up 9.7% vs. 15.8% in U.S., to \$3.8 billion

TABLE 1.—Summary of Economic Indicators, United States and Maryland

	United States		Maryland				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,824,665	1,829,515	32,510	33,107	35,884	36,376	12.6	10.4	12.6	9.9
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	19,333	19,640	21,288	21,512	12.6	10.1	12.8	9.5
Civilian employment (thousands)	91,401	94,901	1,856	1,834	1,949	1,907	3.9	5.0	3.8	4.0
Unemployment (thousands)	6,705	6,360	107	127	104	139	-8.8	-2.2	-5.1	9.5
Percent unemployed (unemployment/labor force)	6.8	6.3	5.4	6.5	5.1	6.8	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	7,719	7,902	8,680	n.a.	15.6	12.4	---	---
Total deposits (millions of dollars)	911,772	n.a.	10,618	10,521	11,356	n.a.	9.3	6.9	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	573,257	639,368	763,910	632,206	16.8	33.3	19.8	-1.1
Dwelling units started (number)	404,171	414,826	6,455	5,572	6,446	6,510	-2	-1	2.6	16.8
Total retail sales (millions of dollars)	167,940	194,529	4,077	3,442	4,412	3,777	11.2	8.2	15.8	9.7
New business incorporations (number)	115,247	n.a.	1,981	1,925	2,401	n.a.	13.2	21.2	---	---
Business failures (number)	1,729	n.a.	64	32	24	n.a.	-4.9	-62.5	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Baltimore	---	---	190.7	195.7	203.0	207.7	---	6.4	---	6.1
Washington, D.C.	---	---	188.1	190.6	205.3	211.4	---	9.1	---	10.9

n.a. Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Maryland increased 9.9 percent from 1978:I to 1979:I, one of the smallest increases among all States and 2.7 percentage points less than nationally (table 2). In 1979:I, the State's personal income totaled \$36.4 billion, up \$3.3 billion since 1978:I.

From 1978:I to 1979:I, consumer prices in the Baltimore and Washington, D.C. metropolitan areas increased 6.1 percent and 10.9 percent, respectively, compared with a national city average increase of 9.9 percent (table 3). If an average of the two area increases is used as an indicator for price movements in the State, real total personal income in Maryland increased only 1.4 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) in Maryland registered one of the smallest increases in the Nation, 9.5 percent, compared with a national increase of 12.8 percent. In 1979:I, payrolls totaled \$21.5 billion in the State, up \$1.9 billion since 1978:I.

Payroll increases in most private service-type industries lagged corresponding national increases. Trade payrolls increased 9.0 percent versus 13.7 percent nationally, and payrolls in finance-insurance-real estate increased 8.9 percent versus 13.3 percent nationally; the two State increases were among the smallest in the Nation. Payrolls in transportation-communication-public utilities increased 9.3 percent versus 11.5 percent nationally. In contrast, services payrolls increased 13.4 percent in Maryland, 1.7 percentage points more than nationally; the increase in services payrolls accounted for almost one-fourth of the year-to-year increase in all payrolls in the State.

The 7.7-percent payroll increase in Maryland's construction payrolls was exceeded by increases in 47 States and the District of Columbia. The national increase was almost three times Maryland's.

Payroll increases in both components of manufacturing lagged corresponding national increases. Durable goods manufacturing payrolls increased 13.3 percent in the State, compared with 16.2 percent nationally, and nondurable goods manufacturing payrolls increased 9.2 percent, compared with 9.9 percent nationally.

The 5.4-percent increase in Maryland's Federal Government payrolls was one of the smallest among all States, and it lagged the national increase by 2.2 percentage points. In contrast, State and local government payrolls in Maryland increased 7.9 percent from year to year versus 6.1 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

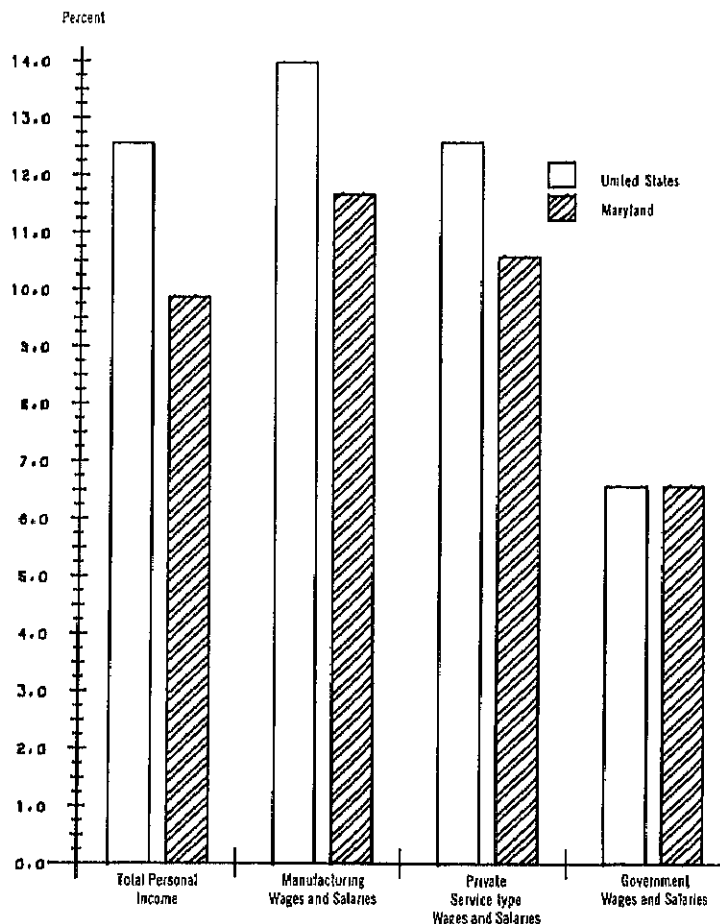
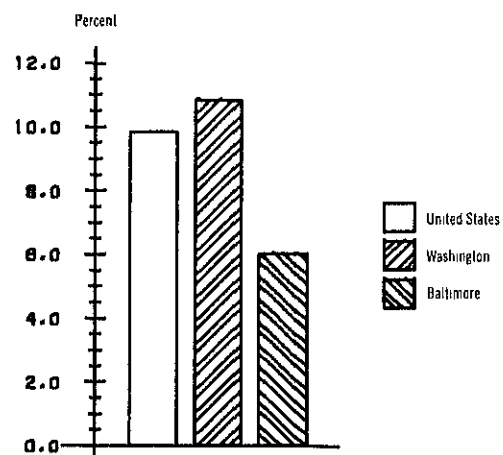


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I



July 1979

Chart 3.—Total Personal Income
[Seasonally adjusted]

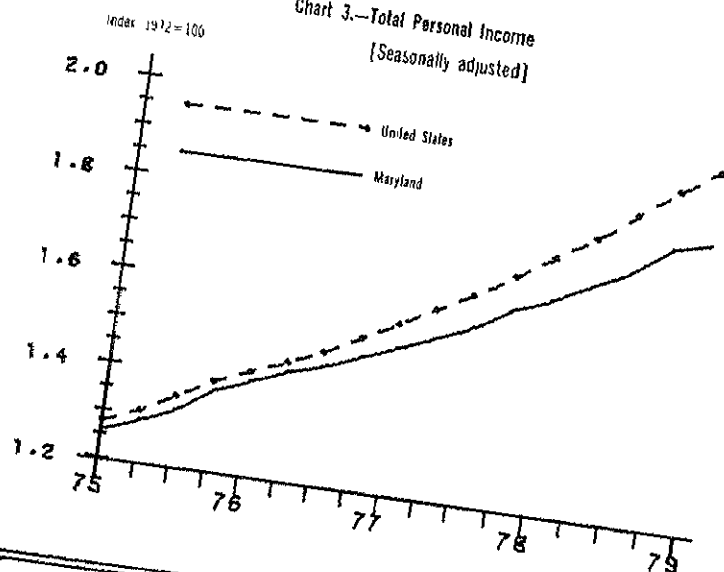
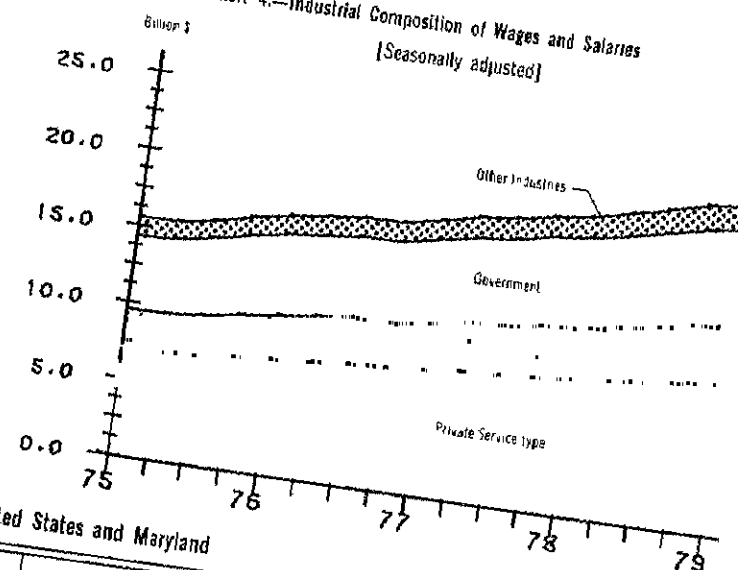


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]



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TABLE 2.—Personal Income, United States and Maryland

	United States		Maryland				Percent change ²			
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV—1978:IV	State	U.S.	State
	Millions of dollars, seasonally adjusted at annual rates ¹						1978:I—1979:I			
Total personal income	1,624,665	1,829,515	32,510	33,107	35,884	36,376	12.6	10.4	12.6	9.9
Farm personal income	32,083	40,141	162	269	314	353	26.3	93.9	25.1	30.9
Nonfarm personal income	1,592,582	1,789,374	32,348	32,837	35,570	36,023	12.1	10.0	12.4	9.7
Total personal income	1,624,665	1,829,515	32,510	33,107	35,884	36,376	12.6	10.4	12.6	9.9
Wage and salary disbursements	1,042,716	1,176,598	19,333	19,640	21,288	21,512	12.6	10.1	12.8	9.5
Other labor income	99,957	115,833	1,586	1,630	1,805	1,822	16.4	13.8	15.9	11.8
Proprietors' income	108,898	126,535	1,617	1,761	1,959	1,985	18.9	21.1	16.3	12.7
Farm	24,448	31,221	93	209	237	271	31.7	154.4	27.7	35.4
Nonfarm	84,360	95,314	1,524	1,561	1,722	1,714	15.3	13.0	13.0	9.8
Dividends, interest, and rent	221,191	250,595	3,339	3,425	3,697	3,813	12.8	10.7	13.3	11.3
Transfer payments	219,202	238,794	3,909	3,958	4,246	4,355	8.2	8.6	8.9	10.0
State unemployment insurance benefits	9,997	8,023	165	130	101	119	-30.3	-38.6	-19.7	-8.6
Less: personal contributions	66,792	78,351	1,234	1,306	1,386	1,483	15.1	12.4	17.3	13.6
Plus: residence adjustment	-417	-489	3,960	3,999	4,275	4,374	15.1	12.4	17.3	13.6
Wage and salary disbursements	1,042,716	1,176,598	19,333	19,640	21,288	21,512	12.6	10.1	12.8	9.5
Farm	7,215	8,422	63	63	70	74	10.6	11.5	16.7	11.6
Nonfarm	1,035,501	1,168,176	19,270	19,577	21,218	21,437	12.6	10.1	12.8	9.5
Manufacturing	12,013	19,166	19	15	26	26	33.9	40.5	59.5	78.4
Durable goods	56,564	68,593	1,227	1,247	1,424	1,343	20.1	16.0	21.3	7.7
Nondurable goods	285,735	325,636	3,412	3,413	3,790	3,814	13.3	11.1	14.0	11.7
Private service type	182,321	211,944	2,145	2,108	2,428	2,389	15.2	13.2	16.2	13.3
Transportation, communication, and public utilities	103,414	113,692	1,267	1,305	1,362	1,425	13.1	10.7	12.6	10.6
Wholesale and retail trade	473,132	532,823	8,765	8,998	9,704	9,945	13.1	13.2	15.5	13.3
Finance, insurance, and real estate	79,598	88,755	1,210	1,255	1,370	1,372	11.3	14.1	11.5	9.3
Services	177,331	201,698	3,352	3,442	3,667	3,751	13.2	7.9	13.3	8.9
Government	55,930	63,373	965	984	1,041	1,072	12.7	7.3	6.6	6.6
Federal	160,273	179,087	3,238	3,308	3,625	3,750	12.7	6.9	7.6	5.4
State and local	204,558	218,008	5,801	5,864	6,223	6,253	6.9	7.1	6.8	7.9
Other	68,698	73,916	2,903	2,910	3,065	3,067	6.8	8.9	6.1	5.4
	135,860	144,092	2,899	2,954	3,157	3,186	5.5	14.6	13.1	11.5
	3,499	3,950	46	50	52	55	14.6	13.1	12.9	11.5

1 Detail may not add to totals because of rounding
2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Maryland¹

	United States		Maryland				Percent change			
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV—1978:IV	State	U.S.	State
	Index, 1967=100, not seasonally adjusted						1978:I—1979:I			
U.S. city average ²	188.4	207.0	190.7	195.7	203.0	207.7	8.9	6.4	9.9	6.1
Baltimore	---	---	188.1	190.6	205.3	211.4	---	9.1	---	10.9
Washington, D.C.	---	---	---	---	---	---	---	---	---	---

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2 Average for 85 representative urban areas based on the 1970 Census of Population
Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Maryland's civilian labor force increased 4.4 percent versus 3.2 percent nationally (table 4). Total employment increased 4.0 percent (to 1.9 million), compared with a 3.8-percent national increase.

With the labor force increasing by about 86,000 and employment increasing by about 73,000, the number of unemployed increased by

between 12,000 and 13,000, to 139,000. The unemployment rate increased somewhat, to 6.8 percent of the labor force, the lowest rate in the Mideast region. The national unemployment rate in 1979:I was 6.3 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Maryland

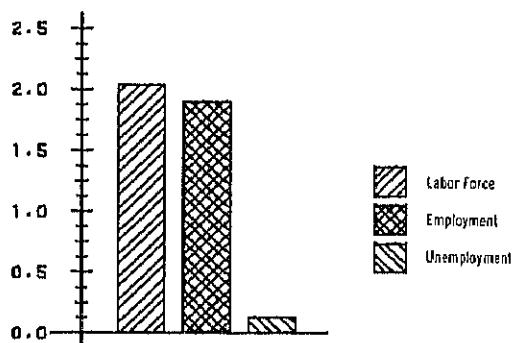


Chart 6.—Unemployment Rates, 1978:I—1979:I

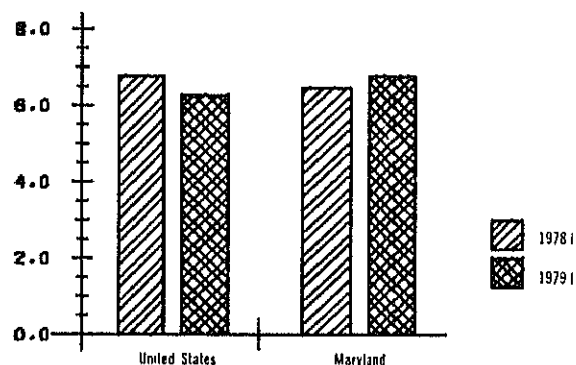


TABLE 4.—Labor Force, United States and Maryland

	United States		Maryland				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV	1978 I— 1979:I		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,568	1,540	1,625	1,585	4.2	3.6	2.9	2.9
Mining and services.	16,488	17,045	308	305	323	323	4.9	4.9	3.4	6.0
Education	3,784	3,973	99	86	109	91	11.2	10.8	5.0	5.0
Manufacturing	20,064	20,652	236	236	246	243	3.6	4.3	2.9	3.2
Transportation, communication, and public utilities	4,779	4,943	81	81	88	85	4.4	8.1	3.4	4.7
Wholesale and retail trade	18,937	19,549	380	365	388	375	4.5	2.1	3.2	2.7
Finance, insurance, and real estate	4,601	4,790	83	83	87	87	5.2	4.0	4.1	5.0
Government	15,435	15,648	381	385	385	382	1.4	9	1.4	-7
Civilian labor force ³	98,106	101,260	1,963	1,961	2,054	2,047	3.1	4.6	3.2	4.4
Total employed	91,401	94,901	1,856	1,834	1,949	1,907	3.9	5.0	3.8	4.0
Total unemployed	6,705	6,360	107	127	104	139	-8.8	-2.2	-5.1	9.5
Percent unemployed	6.8	6.3	5.4	6.5	5.1	6.8	---	---	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

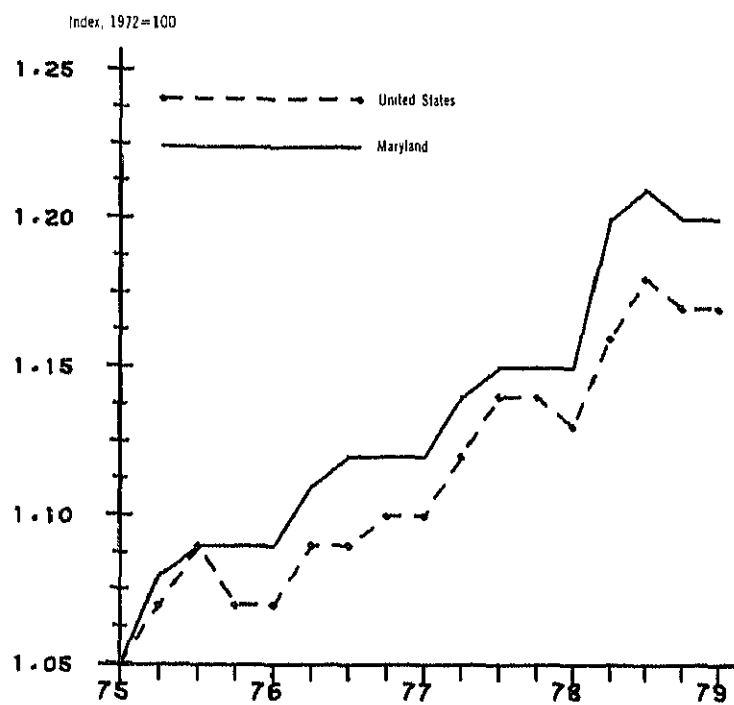


Chart 8.—Civilian Employment

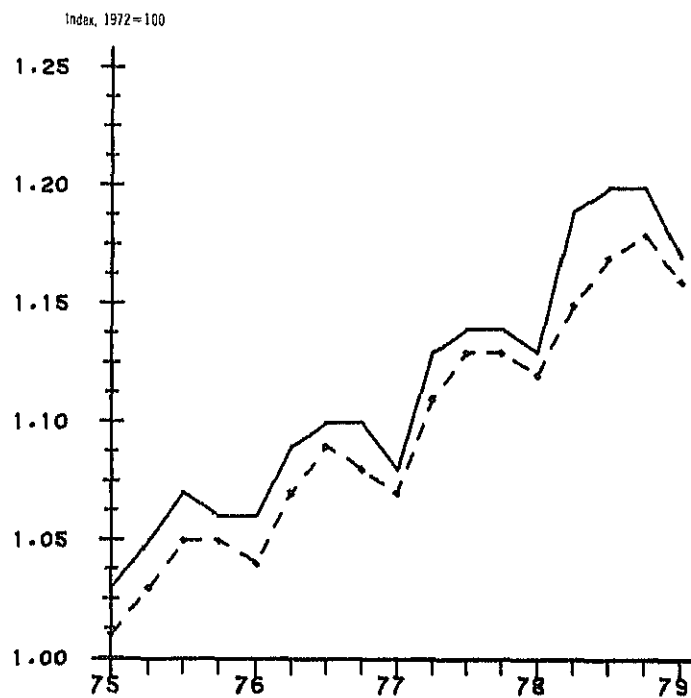


Chart 9.—Unemployment Rate

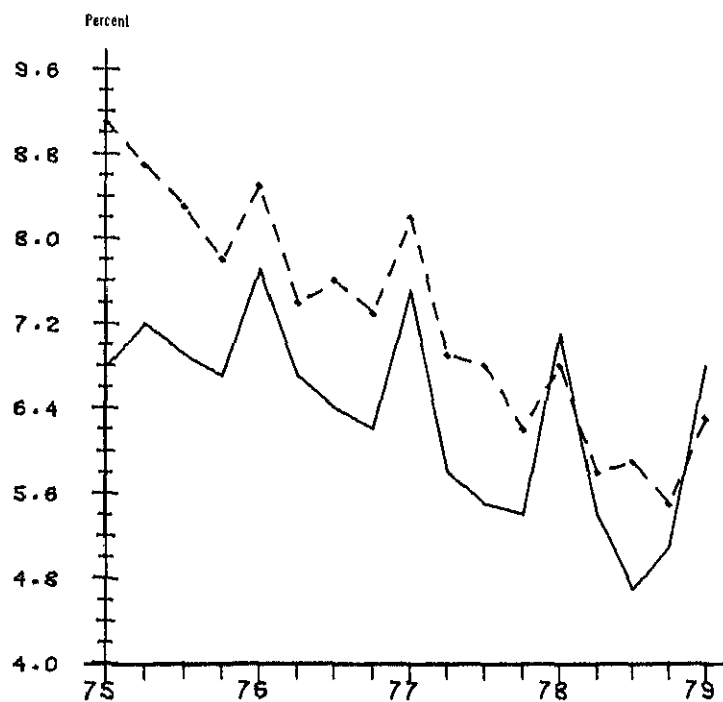
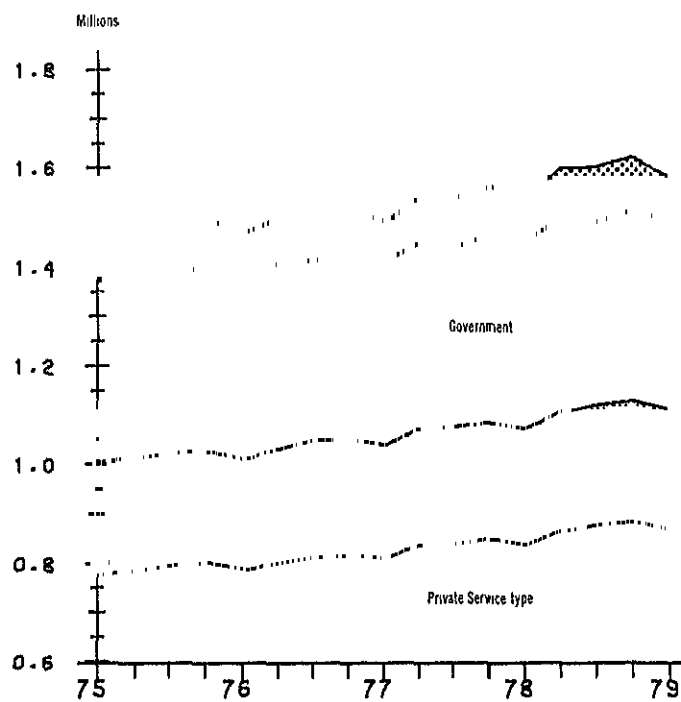


Chart 10.—Industrial Composition of Nonagricultural Employment: Maryland



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978 I-1979 I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Maryland

	United States		Maryland				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV-- 1978 IV		1978 I-- 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	7,719	7,902	8,680	n.a.	15.6	12.4	---	---
Commercial and industrial	202,241	n.a.	1,614	1,765	1,748	n.a.	13.3	8.3	---	---
Loans to individuals	143,356	n.a.	2,371	2,369	2,739	n.a.	18.7	15.5	---	---
Real estate	183,599	n.a.	3,164	3,225	3,583	n.a.	19.6	13.3	---	---
Residential	104,830	n.a.	1,843	1,897	2,202	n.a.	22.1	19.5	---	---
Farms	7,919	n.a.	69	73	75	n.a.	9.6	9.0	---	---
Other	70,851	n.a.	1,251	1,255	1,305	n.a.	17.0	4.3	---	---
Farms, excluding real estate	25,440	n.a.	59	59	58	n.a.	9.5	-1.6	---	---
Other	64,581	n.a.	512	485	552	n.a.	7.9	7.9	---	---
Total deposits	911,772	n.a.	10,618	10,521	11,356	n.a.	9.3	6.9	---	---
Demand	344,245	n.a.	4,198	3,982	4,397	n.a.	5.6	4.7	---	---
Time and savings	567,527	n.a.	6,420	6,538	6,959	n.a.	11.9	8.4	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 12.4 percent (\$961 million) in Maryland from 1977:IV to 1978:IV, one of the smallest increases among all States and 3.2 percentage points less than nationally (table 5). In 1978:IV, bank loans totaled \$8.7 billion. Maryland's 8.3-percent increase in commercial and industrial loans was one of the smallest in the Nation and was 5.0 percentage points less than nationally. Maryland's 15.5-percent

increase in loans to individuals lagged the national increase by 3.2 percentage points, and the State's 13.3-percent increase in real estate loans lagged the national increase by 6.3 percentage points.

Total deposits increased 6.9 percent (\$738 million) in Maryland from 1977:IV to 1978:IV, one of the smallest increases in the Nation and 2.4 percentage points less than nationally. In 1978:IV, bank deposits totaled \$11.4 billion in the State. Time and savings deposits increased 8.4 percent from year to year versus 11.9 percent nationally, and demand deposits increased 4.7 percent in the State versus 5.6 percent nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts declined 1.1 percent (\$7.2 million), to \$632.2 million, compared with a national increase of 19.8 percent (table 6). In 1978:I, a \$40.0 million contract for the construction of a restaurant in Montgomery County and \$32.3 million and \$35.5 million contracts for the construction of subway tunnels in Baltimore City and Montgomery County raised the State's total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If all three contracts are excluded, the total valuation of contracts in Maryland would have increased 18.9 percent.

National construction costs increased about 14 percent from 1978:I to 1979:I, and if this national increase is representative of the cost increase throughout the State, the real decline in the total valuation of contracts in Maryland was about 15 percent versus a real increase of about 6 percent in the Nation.

Mainly reflecting the two subway tunnel contracts in 1978:I, the valuation of nonbuilding contracts declined 42.2 percent (\$80.6 million),

compared with a national increase of 23.7 percent. Street and highway contracts, a major component of nonbuilding contracts, increased only 2.2 percent (\$1.6 million) in valuation in the State versus 61.2 percent nationally.

Primarily reflecting the Montgomery County restaurant contract in 1978:I, nonresidential contracts declined 9.0 percent (\$13.2 million) in valuation, compared with a 28.0-percent increase in the Nation.

Residential housekeeping contracts, in contrast to nonbuilding and nonresidential contracts, increased sharply in valuation from year to year—36.2 percent (\$68.4 million), compared with a national increase of 11.8 percent. Similarly, the number of dwelling units started in the State increased 16.8 percent (938 units), to 6,510, versus a national increase of only 2.6 percent. The valuation of contracts for additions and alterations to residential housekeeping units increased 18.7 percent (\$19.7 million) versus 17.9 percent nationally.

Chart 14.—Construction Contracts—Total Valuation

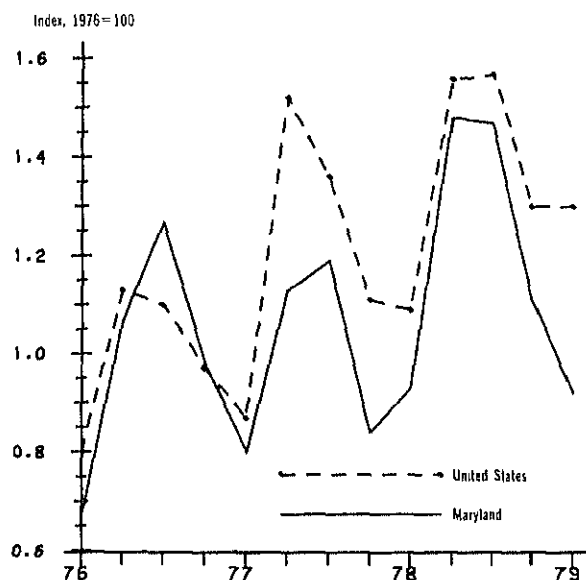


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Maryland

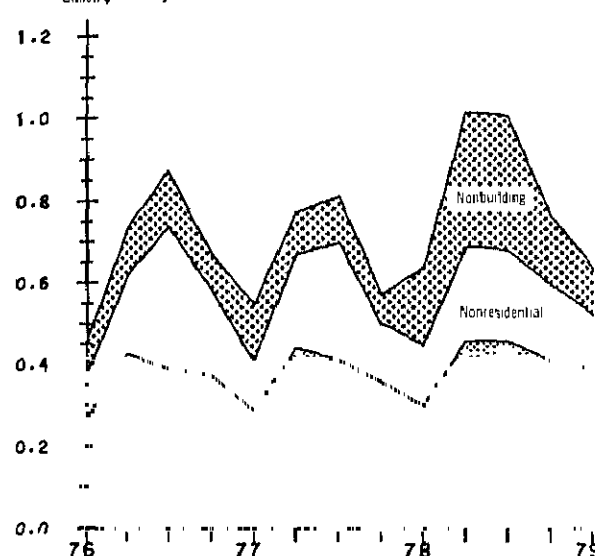


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

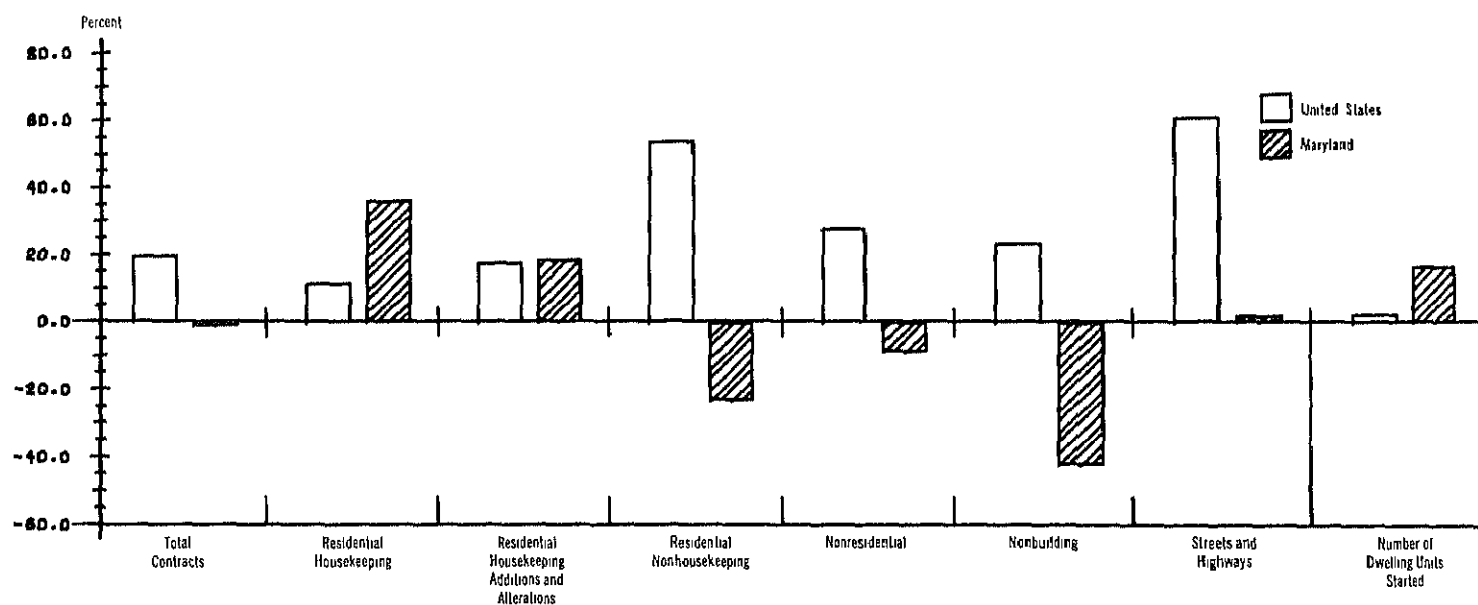


TABLE 6.—Construction Contracts, United States and Maryland¹

	United States		Maryland				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	573,257	639,368	763,910	632,206	16.8	33.3	19.8	-1.1
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	127,721	105,644	153,783	125,382	14.6	20.4	17.9	18.7
All other contracts										
Number of contracts	53,028	53,454	1,064	997	1,084	979	-9.3	1.9	8	-1.8
Valuation (thousands of dollars)	32,202,931	38,675,376	445,536	533,724	610,127	506,824	17.3	36.9	20.1	-5.0
Floor area (thousands of square feet)	807,538	904,811	12,905	10,949	15,594	13,971	10.3	20.8	12.0	27.6
Residential housekeeping										
Number of contracts	13,592	14,399	117	108	106	123	-4.3	-9.4	5.9	13.9
Number of dwelling units	404,171	414,826	6,455	5,572	6,446	6,510	-2	-1	2.6	16.8
Valuation (thousands of dollars)	13,806,696	15,431,523	225,083	188,793	251,038	257,215	15.6	11.5	11.8	36.2
Floor area (thousands of square feet)	546,445	571,860	9,362	8,098	10,362	10,038	10.7	10.7	4.7	24.0
Residential nonhousekeeping										
Number of contracts	441	464	8	15	8	7	-4	0	5.2	-53.3
Valuation (thousands of dollars)	327,201	504,158	5,601	6,491	6,166	4,964	54.9	10.1	54.1	-23.5
Floor area (thousands of square feet)	8,179	11,483	139	330	123	175	34.7	-11.3	40.4	-47.0
Nonresidential										
Number of contracts	25,282	23,514	616	446	466	371	-12.0	-24.4	-7.0	-16.8
Valuation (thousands of dollars)	9,056,146	11,595,243	143,332	147,397	185,614	134,156	16.3	29.5	28.0	-9.0
Floor area (thousands of square feet)	252,915	321,468	3,405	2,521	5,110	3,758	8.7	50.0	27.1	49.1
Nonbuilding										
Number of contracts	13,713	15,077	323	428	504	478	-9.1	56.0	9.9	11.7
Valuation (thousands of dollars)	9,012,888	11,144,452	71,520	191,043	167,309	110,489	20.6	133.9	23.7	-42.2
Streets and Highways										
Number of contracts	3,989	4,750	73	104	91	109	-17.8	24.7	19.1	4.8
Valuation (thousands of dollars)	1,399,453	2,255,221	20,075	28,277	34,637	28,901	-18.1	72.5	61.2	2.2

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Maryland totaled \$3.8 billion in 1979:I, up 9.7 percent (table 7). In 1979:I, nondurable goods totaled \$2.5 billion, and (\$335 million) since 1978:I, compared with a national increase of 15.8 percent (table 7). In 1979:I, nondurable goods totaled \$2.5 billion, and durable goods totaled \$1.3 billion.

TABLE 7.—Retail Sales, United States and Maryland

	United States		Maryland				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	4,077	3,442	4,412	3,777	11.2	8.2	15.8	9.7
Durable goods	55,388	68,203	n a	n a.	1,312	1,256	15.3	---	23.1	---
Non durable goods	112,552	126,356	n a	n.a.	3,100	2,521	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Maryland

	United States		Maryland				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,981	1,925	2,401	n.a.	13.2	21.2	---	---
Total number of business failures	1,729	n.a.	64	32	24	n.a.	-4.9	-62.5	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	5,645	1,663	3,051	n.a.	13.7	-46.0	---	---
Average liability per failure (thousands of dollars)	404	n.a.	88	52	127	n.a.	19.4	44.3	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	11	5	1	n.a.	6.0	-90.9	---	---
Construction	279	n.a.	25	6	9	n.a.	-8.2	-64.0	---	---
Wholesale trade	205	n.a.	7	3	2	n.a.	-6.3	-71.4	---	---
Retail trade	789	n.a.	18	15	13	n.a.	-4	-27.8	---	---
Commercial services	205	n.a.	3	3	2	n.a.	-23.5	-33.3	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 12.0%, 0.6 percentage point less than in U.S. —Wages and salaries up somewhat more than in U.S. —Strong payroll increase in government
Consumer prices	—Up 7.9% in Boston vs. 9.9% in U.S.
Employment	—Up 4.0% vs. 3.8% in U.S., to 2.7 million
Unemployment	—Up 8,000 to 202,000 —Rate unchanged, at 6.9% of labor force vs. 6.3% in U.S.
Construction	—Total valuation of contracts down 9.2% vs. increase of 19.8% in U.S., to \$543 million —Weakness in valuation of nonbuilding contracts —Number of dwelling-unit starts up 30.6% vs. 2.6% in U.S., to 3,526
Retail sales	—Up 13.6% vs. 15.8% in U.S., to \$4.9 billion

TABLE 1.—Summary of Economic Indicators, United States and Massachusetts

	United States		Massachusetts				U.S.	State	U.S.	State
	1978 I	1979 I	1977-IV	1978-I	1978-IV	1979-I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	43,460	44,554	48,400	49,886	12.6	11.4	12.6	12.0
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	27,698	28,508	31,104	32,239	12.6	12.3	12.8	13.1
Civilian employment (thousands)	91,401	94,901	2,614	2,605	2,682	2,710	3.9	2.6	3.8	4.0
Unemployment (thousands)	6,705	6,360	181	194	144	202	-8.8	-20.6	-5.1	4.0
Percent unemployed (unemployment/labor force)	6.8	6.3	6.5	6.9	5.1	6.9	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	10,251	10,434	11,672	n.a.	15.6	13.9	---	---
Total deposits (millions of dollars)	911,772	n.a.	16,334	15,504	17,277	n.a.	9.3	5.8	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	723,512	598,011	880,740	543,063	16.8	21.7	19.8	-9.2
Dwelling units started (number)	404,171	414,826	5,598	2,699	5,568	3,526	-.2	-5	2.6	30.6
Total retail sales (millions of dollars)	167,940	194,529	5,136	4,333	5,813	4,923	11.2	13.2	15.8	13.6
New business incorporations (number)	115,247	n.a.	2,409	2,244	2,379	n.a.	13.2	-1.2	---	---
Business failures (number)	1,729	n.a.	61	91	31	n.a.	-4.9	-49.2	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Boston	---	---	185.3	187.7	199.2	202.5	---	7.5	---	7.9

n.a. Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.0 percent from 1978:I to 1979:I, 0.6 percentage point less than in the Nation (table 2). In 1979:I, Massachusetts' total personal income was \$49.9 billion, for an increase of \$5.3 billion since 1978:I. The income increase in each New England State was near the national average.

Consumer prices in Boston increased 7.9 percent from 1978:I to 1979:I versus a national increase of 9.9 percent (table 3). If Boston's increase is used as an indicator for price movements in the State, real total personal income in Massachusetts increased 4.1 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 13.1 percent in Massachusetts versus 12.8 percent in the Nation. In 1979:I, payrolls totaled \$32.2 billion, for an increase of \$3.7 billion since 1978:I. Manufacturing payrolls increased 15.7 percent in Massachusetts versus 14.0 percent in the Nation. Increases in the State in both durables and nondurables manufacturing were larger than in the Nation. The State's 25.2-percent increase in construction also was above the national increase.

Government payrolls increased 11.1 percent in Massachusetts, 4.5 percentage points more than in the Nation. Strength extended to both Federal Government payrolls and State and local government payrolls.

In contrast, the increase of 11.5 percent in payrolls in private service-type industries in Massachusetts was below the 12.6-percent increase in the Nation. Relative weakness was evident in transportation-communication-public utilities, finance-insurance-real estate, and services. The State's 17.1-percent increase in wholesale and retail trade payrolls, in contrast, was well above the 13.7-percent increase in the Nation.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

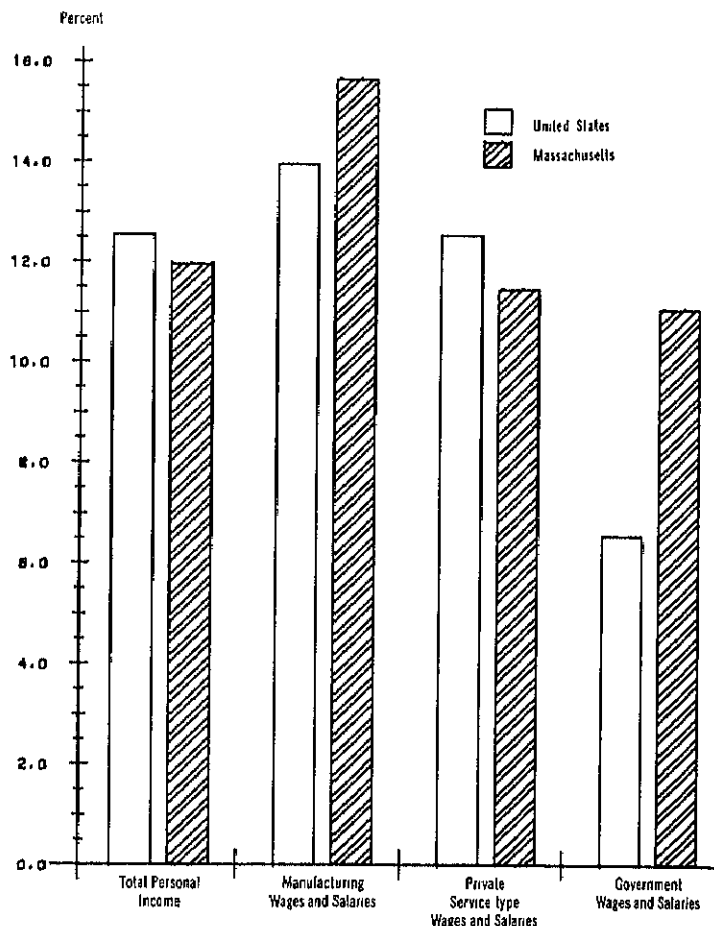


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

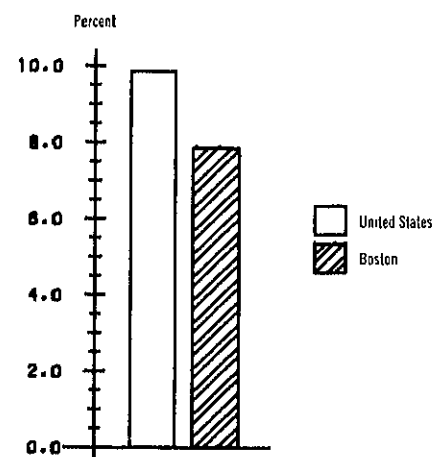


Chart 3.—Total Personal Income
[Seasonally adjusted]

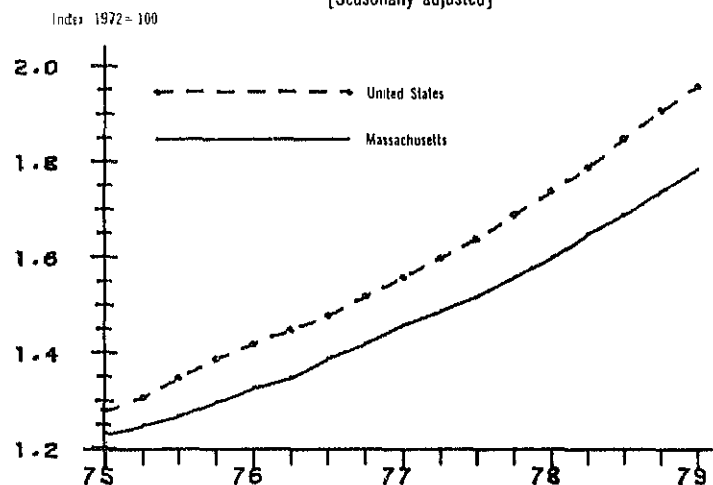


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

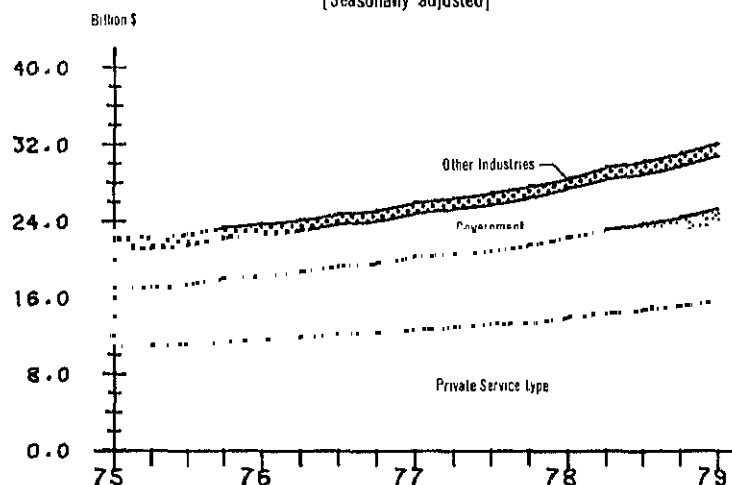


TABLE 2.—Personal Income, United States and Massachusetts

	United States		Massachusetts				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates¹						Percent change²			
Total personal income	1,624,665	1,829,515	43,460	44,554	48,400	49,886	12.6	11.4	12.6	12.0
Farm personal income	32,083	40,141	80	84	96	100	26.3	20.1	25.1	19.3
Nonfarm personal income	1,592,582	1,789,374	43,380	44,470	48,304	49,786	12.3	11.4	12.4	12.0
Total personal income	1,624,665	1,829,515	43,460	44,554	48,400	49,886	12.6	11.4	12.6	12.0
Wage and salary disbursements	1,042,716	1,176,598	27,698	28,508	31,104	32,239	12.6	12.3	12.8	13.1
Other labor income	99,957	115,833	2,641	2,752	3,025	3,154	16.4	14.5	15.9	14.6
Proprietors' income	108,808	126,535	2,008	2,005	2,230	2,227	18.9	11.1	16.3	11.1
Farm	24,448	31,221	25	29	37	37	31.3	46.0	27.7	29.0
Nonfarm	84,360	95,314	1,982	1,976	2,194	2,189	15.3	10.7	13.0	10.8
Dividends, interest, and rent	221,191	250,595	6,266	6,426	6,952	7,171	12.8	11.0	13.3	11.6
Transfer payments	219,202	238,794	6,594	6,734	7,076	7,270	8.2	7.3	8.9	8.0
State unemployment insurance benefits	9,997	8,023	363	371	208	259	-30.3	-42.6	-19.7	-30.2
Less personal contributions	66,792	78,351	1,556	1,668	1,770	1,941	15.1	13.8	17.3	16.4
Plus residence adjustment	-417	-489	-191	-203	-218	-234	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	27,698	28,508	31,104	32,239	12.6	12.3	12.8	13.1
Farm	7,215	8,422	51	50	55	58	10.6	8.1	16.7	14.1
Nonfarm	1,035,501	1,168,176	27,648	28,458	31,049	32,181	12.6	12.3	12.8	13.1
Mining	12,013	19,166	13	13	15	15	33.9	11.1	59.5	16.0
Construction	56,564	68,593	1,015	886	1,117	1,109	20.1	10.0	21.3	25.2
Manufacturing	285,735	325,636	8,224	8,407	9,233	9,725	13.3	12.3	14.0	15.7
Durable goods	182,321	211,944	5,493	5,618	6,188	6,611	15.2	12.6	16.2	17.7
Non-durable goods	103,414	113,692	2,731	2,789	3,045	3,114	10.0	11.5	9.9	11.7
Private service type	473,132	532,823	13,392	14,042	15,160	15,656	13.1	13.2	12.6	11.5
Transportation, communication, and public utilities	79,598	88,755	1,795	1,843	1,902	1,980	11.3	5.9	11.5	7.4
Wholesale and retail trade	177,331	201,608	4,557	4,604	5,229	5,391	14.1	14.7	13.7	17.1
Finance, insurance, and real estate	55,930	63,373	1,689	1,765	1,867	1,919	13.2	10.5	13.3	8.7
Services	160,273	179,087	5,350	5,829	6,163	6,365	12.7	15.2	11.7	9.2
Government	204,558	218,008	4,908	5,007	5,417	5,561	6.9	10.4	6.6	11.1
Federal	68,698	73,916	1,184	1,196	1,276	1,304	7.1	7.8	7.6	9.0
State and local	135,860	144,092	3,725	3,811	4,140	4,258	6.8	11.2	6.1	11.7
Other	3,499	3,950	95	103	108	116	14.6	13.7	12.9	12.0

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Massachusetts¹

	United States		Massachusetts				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
	188.4	207.0	---	---	---	---	8.9	---	9.9	---
U.S. city average ² ..	---	---	185.3	187.7	199.2	202.5	---	7.5	---	7.9
Boston ..										

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2 Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Massachusetts' civilian labor force increased 4.0 percent, 0.8 percentage point more than in the Nation (table 4). Total employment increased 4.0 percent in the State, 0.2 percentage point more than nationally, to 2.7 million.

With employment increasing about 105,000 and the labor force increasing about 113,000, unemployment increased about 8,000. In 1979:I, the unemployment rate in Massachusetts was 6.9 percent, unchanged from the year-ago rate. The State's rate was 0.6 percentage point above the national rate of 6.3 percent. Among the New England States, only Massachusetts and Maine did not register unemployment-rate declines over the year.

In March 1979, Massachusetts' preliminary unemployment rate was 6.7 percent, up from 6.2 percent in March 1978. March 1979 unemployment rates in the major metropolitan areas of the State ranged from 5.2 percent in Worcester to 9.5 percent in New Bedford. Rates for the Boston metropolitan area, which accounted for almost one-half of the total labor force in the State in 1979:I, were 6.1 percent in March 1979 and 5.8 percent the year before. Over the year, unemployment rates increased in all major metropolitan areas in Massachusetts except Lowell and Worcester, where the rates were little changed.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I
Massachusetts

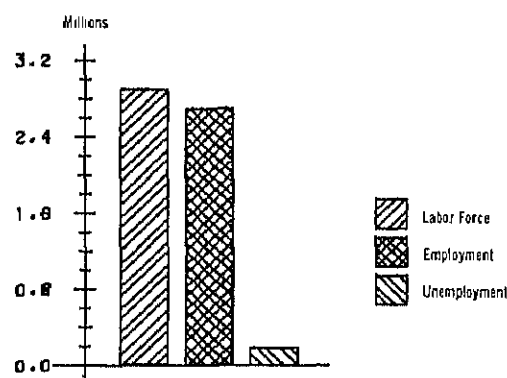


Chart 6.—Unemployment Rates, 1978:I—1979:I

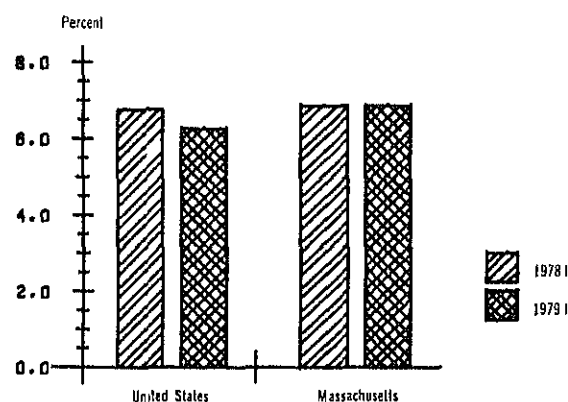


TABLE 4.—Labor Force, United States and Massachusetts

	United States		Massachusetts				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	2,453	2,424	2,557	2,520	4.2	4.3	2.9	4.0
Mining and services	16,488	17,045	546	546	580	576	4.9	6.2	3.4	5.6
Construction	3,784	3,973	75	59	80	63	11.2	6.7	5.0	8.0
Manufacturing	20,064	20,652	634	637	660	658	3.6	4.1	2.9	3.4
Transportation, communication, and public utilities	4,779	4,943	115	116	117	116	4.4	1.6	3.4	.3
Wholesale and retail trade	18,937	19,549	551	534	580	561	4.5	5.2	3.2	5.0
Finance, insurance, and real estate	4,601	4,790	139	139	143	145	5.2	3.3	4.1	3.8
Government	15,435	15,648	393	394	397	401	1.4	1.0	1.4	1.7
Civilian labor force ³	98,106	101,260	2,795	2,800	2,825	2,912	3.1	1.1	3.2	4.0
Total employed	91,401	94,901	2,614	2,605	2,682	2,710	3.9	2.6	3.8	4.0
Total unemployed	6,705	6,360	181	194	144	202	-8.8	-20.6	-5.1	4.0
Percent unemployed	6.8	6.3	6.5	6.9	5.1	6.9	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

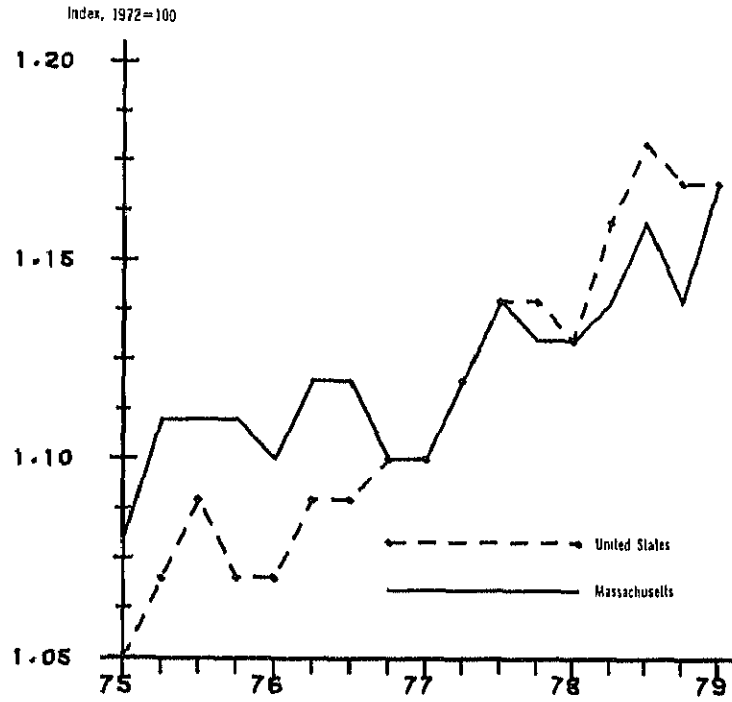


Chart 8.—Civilian Employment

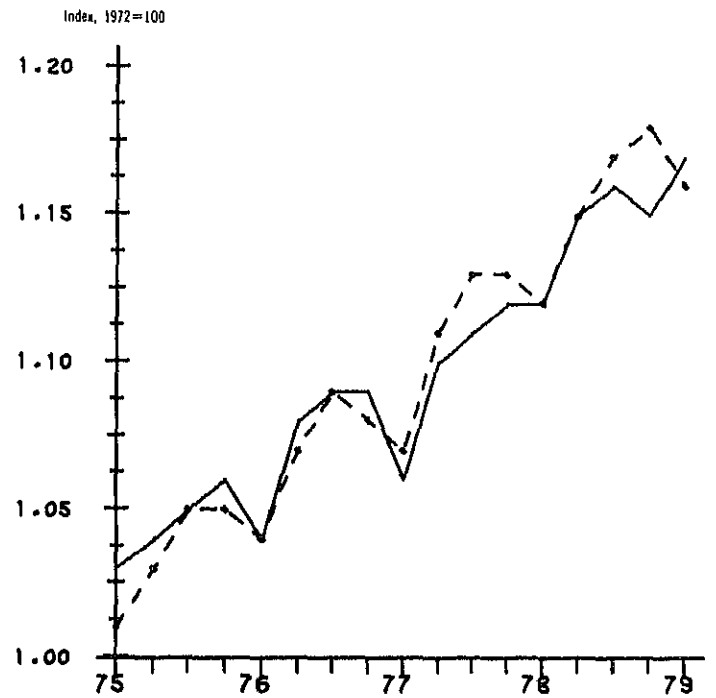


Chart 9.—Unemployment Rate

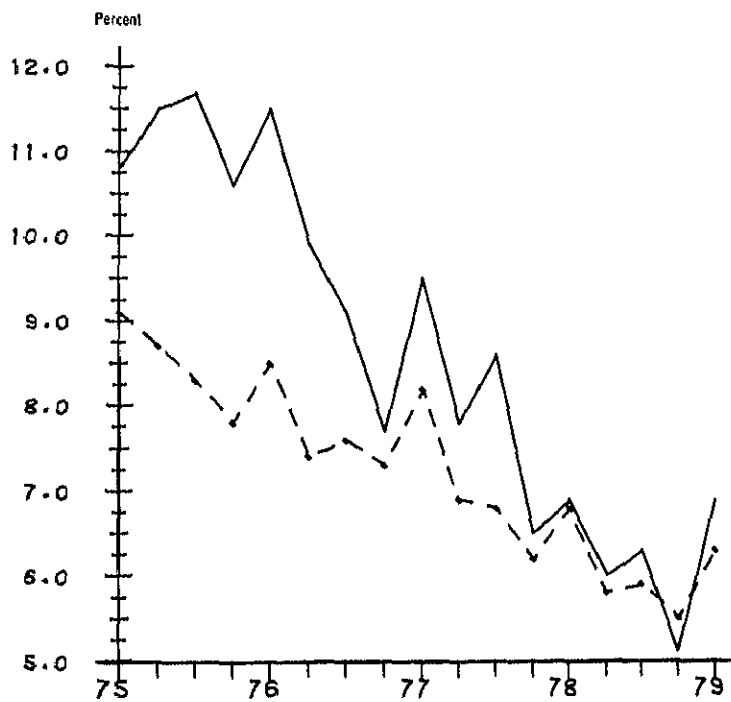
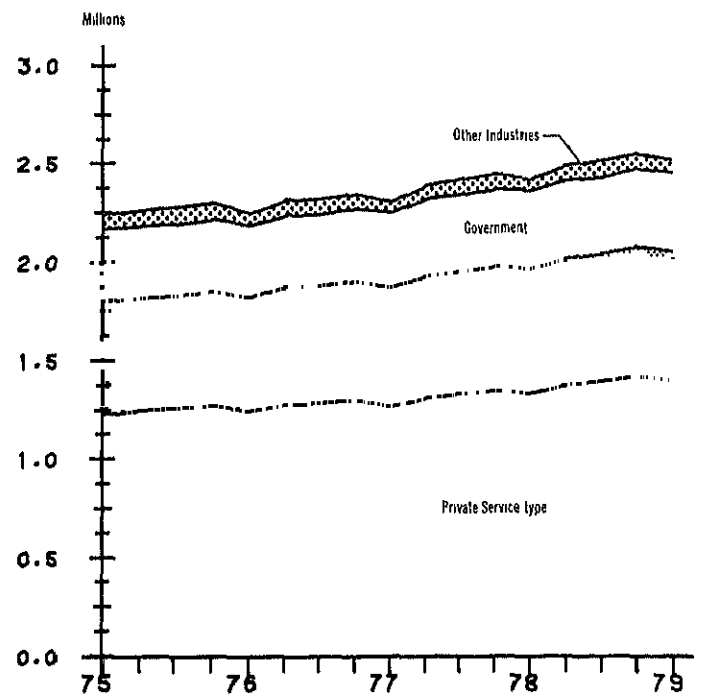


Chart 10.—Industrial Composition of Nonagricultural Employment: Massachusetts



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978 I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Massachusetts

	United States		Massachusetts				U S	State	U S	State
	1978.I	1979.I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979-I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	10,251	10,434	11,672	n.a.	15.6	13.9	---	---
Commercial and industrial	202,241	n.a.	4,615	4,813	4,951	n.a.	13.3	7.3	---	---
Loans to individuals	143,356	n.a.	2,254	2,227	2,566	n.a.	18.7	13.9	---	---
Real estate	183,599	n.a.	2,374	2,459	2,939	n.a.	19.6	23.8	---	---
Residential	104,830	n.a.	1,190	1,222	1,565	n.a.	22.1	31.5	---	---
Farms	7,919	n.a.	2	2	2	n.a.	9.6	17.1	---	---
Other	70,851	n.a.	1,181	1,235	1,372	n.a.	17.0	16.2	---	---
Farms, excluding real estate	25,440	n.a.	10	22	55	n.a.	9.5	427.5	---	---
Other	64,581	n.a.	997	913	1,160	n.a.	7.9	16.3	---	---
Total deposits	911,772	n.a.	16,334	15,504	17,277	n.a.	9.3	5.8	---	---
Demand	344,245	n.a.	8,044	6,925	8,032	n.a.	5.6	- 2	---	---
Time and savings	567,527	n.a.	8,290	8,579	9,245	n.a.	11.9	11.5	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 13.9 percent from 1977:IV to 1978:IV versus an increase of 15.6 percent in the Nation (table 5). In 1978:IV, Massachusetts' loans totaled \$11.7 billion, for an increase of \$1.4 billion since 1977:IV. Commercial and industrial loans increased 7.3 percent in the State versus 13.3 percent in the Nation. Among all States, only four had smaller increases than Massachusetts. Similarly, loans to individuals increased 13.9 percent in Massachusetts versus 18.7 percent in the Nation. In sharp contrast, real estate loans increased 23.8 percent

in Massachusetts, well above the national increase of 19.6 percent. Massachusetts' increase ranked 12th among all State increases.

Total deposits increased 5.8 percent from 1977:IV to 1978:IV, 3.5 percentage points less than in the Nation. Among all States, only Wisconsin and Alaska had smaller increases. In 1978:IV, Massachusetts' deposits totaled \$17.3 billion, for an increase of \$0.9 billion since 1977:IV. Demand deposits declined 0.2 percent, in sharp contrast to an increase of 5.6 percent in the Nation. Only one other State, Alaska, had a decline. Time and savings deposits in Massachusetts increased 11.5 percent, slightly less than nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts declined 9.2 percent in the State and increased 19.8 percent in the Nation (table 6). Massachusetts' decline was exceeded in only five States. Massachusetts and New Hampshire were the only New England States that registered declines in the total valuation of contracts. Most of Massachusetts' weakness was traceable to a sharp decline in the valuation of nonbuilding contracts. In 1979:I, the total valuation of contracts in Massachusetts was \$543 million, for a decline over the year of \$55 million. If the nonbuilding category is excluded, the total valuation of contracts would have increased more than 14 percent.

Nationally, construction costs increased about 14 percent; if this national increase is representative of cost changes in Massachusetts, the real valuation of construction contracts (including the nonbuilding category) declined about 23 percent, in sharp contrast with a real increase of about 6 percent in the Nation.

The valuation of nonbuilding contracts declined 60.3 percent in Massachusetts, in sharp contrast to an increase of 23.7 percent in the Nation. Part of the decline in the valuation of nonbuilding contracts in Massachusetts was traceable to street and highway contracts, which declined 19.3 percent in valuation, in sharp contrast to an increase of 61.2 percent in the Nation.

The valuation of nonresidential contracts declined 0.7 percent in the State versus an increase of 28.0 percent in the Nation.

The new residential housekeeping market was strong in Massachusetts, as it was in most Northeast States. Both the valuation of residential housekeeping contracts and the number of dwelling units started recovered sharply from unusually low levels in 1978:I, when the weather in the Northeast was even more severe than 1979:I. The valuation of residential housekeeping contracts increased 55.1 percent in Massachusetts and 11.8 percent in the Nation. Among all States, Massachusetts' increase ranked fifth; among the six New England States, only Connecticut had a stronger increase. The number of dwelling units started increased 30.6 percent, or 827 units, to 3,526 units in 1979:I. In contrast, the increase in the Nation was only 2.6 percent. Among all States, Massachusetts' increase ranked seventh; among the New England States, only Connecticut and New Hampshire had stronger increases. In contrast, contracts for additions and alterations to residential housekeeping units increased only 3.9 percent in valuation versus 17.9 percent in the Nation. Only six States had smaller changes.

Chart 14.—Construction Contracts—Total Valuation

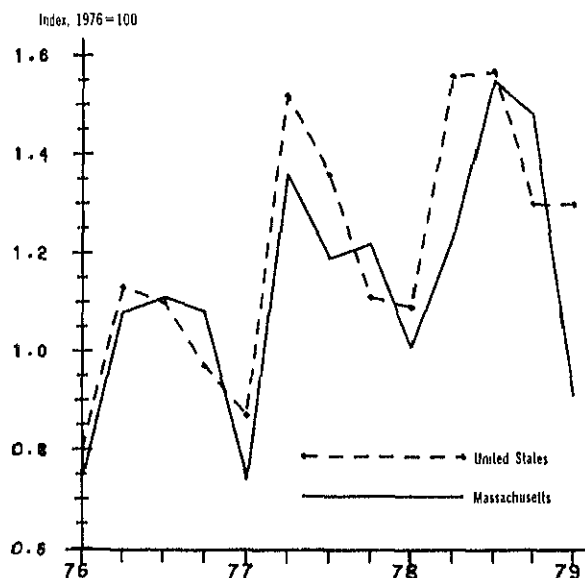


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Million \$ Massachusetts

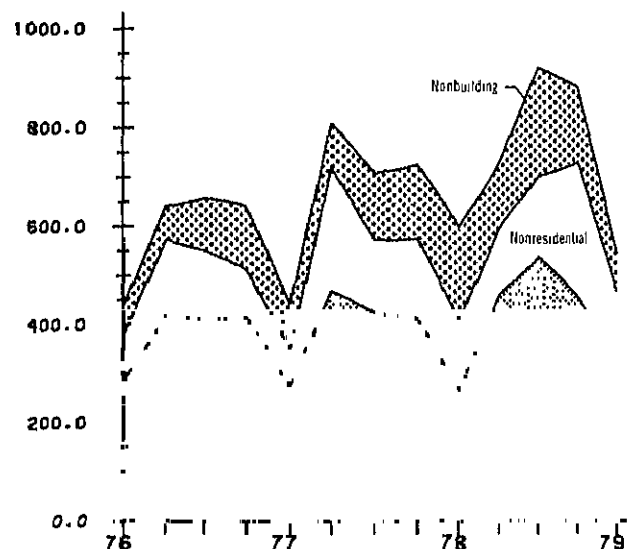


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

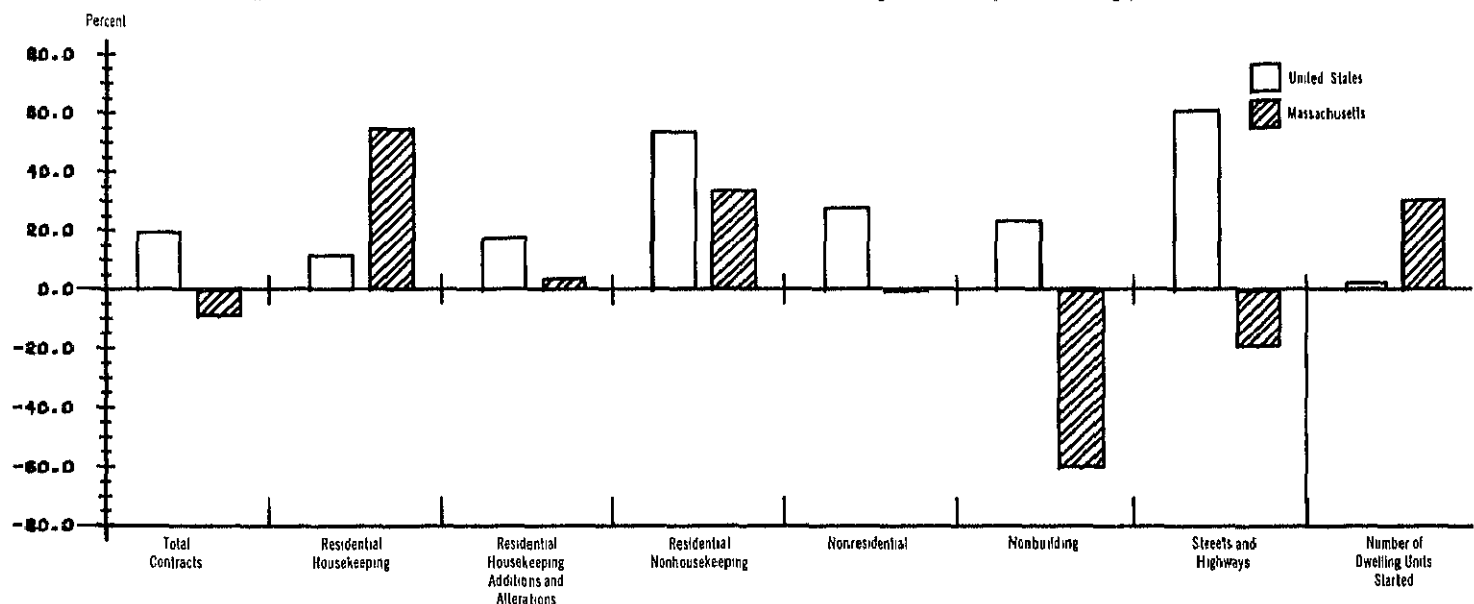


TABLE 6.—Construction Contracts, United States and Massachusetts¹

	United States		Massachusetts				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	U S	State
Not seasonally adjusted							Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	723,512	598,011	880,740	543,063	16.8	21.7	19.8	-9.2
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	214,998	168,374	216,733	175,002	14.6	8	17.9	3.9
All other contracts										
Number of contracts	53,028	53,454	1,230	866	1,034	677	-9.3	-15.9	8	-21.8
Valuation (thousands of dollars)	32,202,931	38,675,376	508,514	429,637	664,007	368,061	17.3	30.6	20.1	-14.3
Floor area (thousands of square feet)	807,538	904,811	11,947	6,744	14,396	8,468	10.3	20.5	12.0	25.6
Residential housekeeping										
Number of contracts	13,592	14,399	156	137	127	114	-4.3	-18.6	5.9	-16.8
Number of dwelling units	404,171	414,826	5,598	2,699	5,568	3,526	-2	-5	2.6	30.6
Valuation (thousands of dollars)	13,806,696	15,431,523	195,016	94,678	233,982	146,881	15.6	20.0	11.8	55.1
Floor area (thousands of square feet)	546,445	571,860	6,630	3,142	7,056	4,607	10.7	6.4	4.7	46.6
Residential nonhousekeeping										
Number of contracts	441	464	8	11	12	9	-4	50.0	5.2	-18.2
Valuation (thousands of dollars)	327,201	504,158	1,294	2,980	4,788	3,993	54.9	270.0	54.1	34.0
Floor area (thousands of square feet)	8,179	11,483	32	77	42	71	34.7	29.1	40.4	-8.0
Nonresidential										
Number of contracts	25,282	23,514	614	457	543	334	-12.0	-11.6	-7.0	-26.9
Valuation (thousands of dollars)	9,056,146	11,595,243	160,616	143,274	273,667	142,261	16.3	70.4	28.0	-7
Floor area (thousands of square feet)	252,915	321,468	5,285	3,525	7,299	3,790	8.7	38.1	27.1	7.5
Nonbuilding										
Number of contracts	13,713	15,077	452	261	352	220	-9.1	-22.1	9.9	-15.7
Valuation (thousands of dollars)	9,012,888	11,144,452	151,588	188,705	151,570	74,926	20.6	.0	23.7	-60.3
Streets and Highways										
Number of contracts	3,989	4,750	145	64	71	53	-17.8	-51.0	19.1	-17.2
Valuation (thousands of dollars)	1,399,453	2,255,221	60,698	23,629	19,110	19,058	-18.1	-68.5	61.2	-19.3

1 Contracts started or expected to start within 60 days
2 Percent changes for floor area based on unrounded data

Source F. W. Dodge Division, McGraw-Hill Information Systems Company
NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Massachusetts totaled \$4.9 billion in 1979:I, up 13.6 percent (\$590 million) since 1978:I, compared with a 15.8-percent national increase (table 7). In 1979:I, nondurable goods accounted for \$3.4 billion of the total, and durable goods accounted for \$1.5 billion.

TABLE 7.—Retail Sales, United States and Massachusetts

	United States		Massachusetts				U S	State	U S	State
	1978 I	1979 I	1977.IV	1978.I	1978.IV	1979 I	1977 IV-- 1978.IV		1978 I-- 1979.I	
	Millions of dollars, not seasonally adjusted							Percent change		
Retail sales	167,940	194,529	5,136	4,333	5,813	4,923	11.2	13.2	15.8	13.6
Durable goods	55,388	68,203	n a	n a	1,747	1,529	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a	n.a.	4,066	3,394	9.2	---	12.3	---

n.a. Data not available

Source U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Massachusetts

	United States		Massachusetts				U S	State	U S	State
	1978 I	1979:I	1977 IV	1978 I	1978:IV	1979:I	1977:IV— 1978 IV		1978:I— 1979:I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	2,409	2,244	2,379	n.a.	13.2	-1.2	---	---
Total number of business failures	1,729	n.a.	61	91	31	n.a.	-4.9	-49.2	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	13,105	42,286	11,118	n.a.	13.7	-15.2	---	---
Average liability per failure (thousands of dollars)	404	n.a.	215	465	359	n.a.	19.4	67.0	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	11	12	8	n.a.	6.0	-27.3	---	---
Construction	279	n.a.	6	12	4	n.a.	-8.2	-33.3	---	---
Wholesale trade	205	n.a.	5	19	3	n.a.	-6.3	-40.0	---	---
Retail trade	769	n.a.	35	38	12	n.a.	-4	-65.7	---	---
Commercial services	205	n.a.	4	10	5	n.a.	-23.5	25.0	---	---

n.a. Data not available

Source Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 12.3%, 0.3 percentage point less than in U.S. —Weak increases in private service-type industries —Strong increase in manufacturing
Consumer prices	—Up 11.9% in Detroit vs. 9.9% in U.S.
Employment	—Up 2.2% vs. 3.8% in U.S., to 3.9 million
Unemployment	—Up 33,000, to 345,000 —Rate up to 8.0% of labor force vs. 6.3% in U.S.
Construction	—Total valuation of contracts down 4.0% vs. an increase of 19.8% in U.S., to \$1.4 billion —Changes in valuation of most major types of contracts weaker in Michigan than in U.S. —Number of dwelling-unit starts down 4.8% vs. an increase of 2.6% in U.S., to 9,545
Retail sales	—Up 20.0% vs. 15.8% in U.S., to \$8.8 billion

TABLE 1.—Summary of Economic Indicators, United States and Michigan

	United States		Michigan				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I	1978:I— 1979:I	1979:I
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	71,635	74,682	81,397	83,896	12.6	13.6	12.6	12.3
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	47,917	50,355	54,969	56,901	12.6	14.7	12.8	13.0
Civilian employment (thousands)	91,401	94,901	3,870	3,849	3,973	3,934	3.9	2.7	3.8	2.2
Unemployment (thousands)	6,705	6,360	295	312	266	345	-8.8	-9.8	-5.1	10.5
Percent unemployed (unemployment/labor force)	6.8	6.3	7.1	7.5	6.3	8.1	---	---	---	---
Total loans (millions of dollars)	619,218	n a	23,597	23,929	26,624	n a	15.6	12.8	---	---
Total deposits (millions of dollars)	911,772	n a	36,084	36,199	39,246	n a	9.3	8.7	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	1,546,921	1,445,515	1,666,918	1,387,967	16.8	7.8	19.8	-4.0
Dwelling units started (number)	404,171	414,826	15,185	10,026	16,942	9,545	-2	11.6	2.6	-4.8
Total retail sales (millions of dollars)	167,940	194,529	8,747	7,294	10,028	8,750	11.2	14.6	15.8	20.0
New business incorporations (number)	115,247	n a	3,332	4,296	3,796	n a	13.2	13.9	---	---
Business failures (number)	1,729	n a	95	89	81	n a	-4.9	-14.7	---	---
Consumer Price Index (1967=100):										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Detroit	---	---	184.0	186.2	201.4	208.4	---	9.5	---	11.9

n a = Data not available.

Source: See tables 2 through 8.

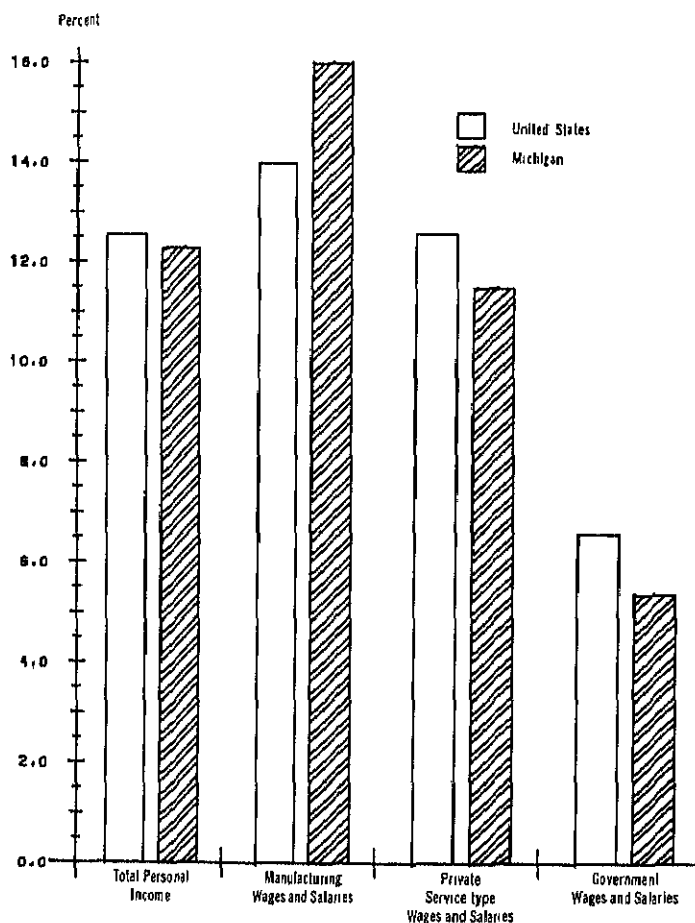
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.3 percent from 1978:I to 1979:I, 0.3 percentage point less than in the Nation (table 2). In 1979:I, Michigan's total personal income was \$83.9 billion, for an increase of \$9.2 billion since 1978:I.

Consumer prices from 1978:I to 1979:I increased 11.9 percent in the Detroit metropolitan area, an increase well above the national increase of 9.9 percent (table 3). If the price increase for Detroit is used as an indicator for price movements in the State, real total personal income in Michigan increased only 0.4 percent from year to year versus 2.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 13.0 percent in Michigan, 0.2 percentage point more than in the Nation. In 1979:I, payrolls totaled \$56.9 billion, for an increase of \$6.5 billion since 1978:I.

Durable goods manufacturing payrolls increased 16.6 percent in Michigan, 0.4 percentage point more than in the Nation. Durable goods payrolls accounted for more than 38 percent of Michigan's total payrolls in 1979:I, in contrast to a national weight of 18 percent. Michigan's 13.0-percent increase in nondurable goods payrolls was well above the national increase of 9.9 percent.

Payrolls in private service-type industries increased 11.5 percent in Michigan and 12.6 percent in the Nation. The increases in three of the four component industries were less in the State than in the Nation; weakness was particularly pronounced in finance-insurance-real estate. Payrolls in services, in contrast, increased about 11.8 percent in both the State and Nation. Construction payrolls were up somewhat less in Michigan than nationally.

State and local government payrolls increased only 4.7 percent in Michigan versus 6.1 percent in the Nation. In contrast, the increase in Federal Government payrolls was larger in Michigan than in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

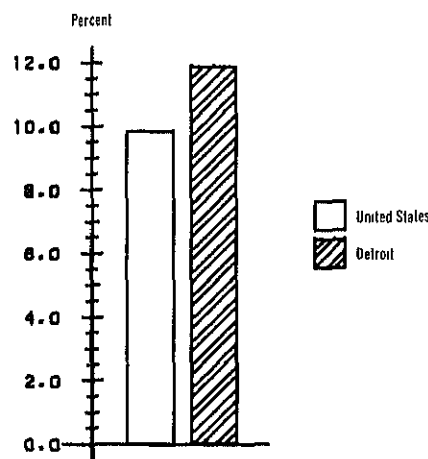


Chart 3.—Total Personal Income
[Seasonally adjusted]

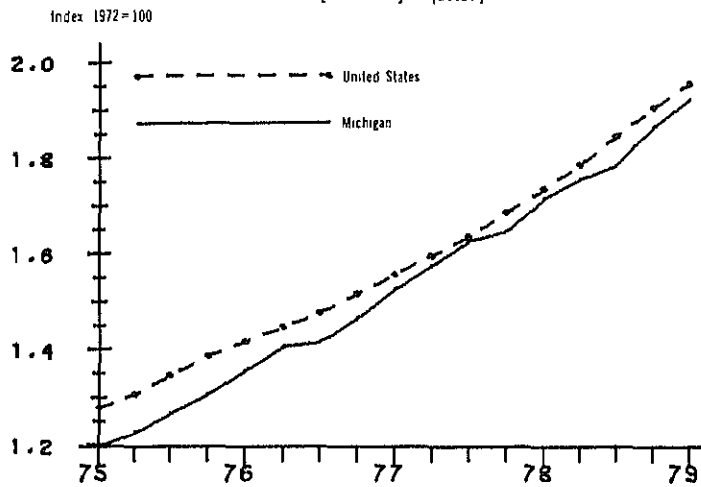


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

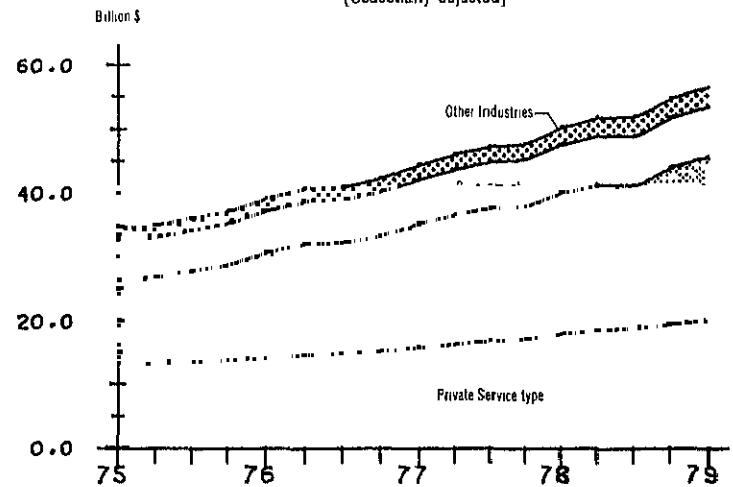


TABLE 2.—Personal Income, United States and Michigan

	United States		Michigan				U.S.	State	U.S.	State
	1978 I	1979:1	1977:IV	1978 I	1978 IV	1979 I	1977:IV-- 1978 IV	1978:I-- 1979:I		
	Millions of dollars, seasonally adjusted at annual rates ¹							Percent change ²		
Total personal income	1,624,665	1,829,515	71,635	74,682	81,397	83,896	12.6	13.6	12.6	12.3
Farm personal income	32,083	40,141	638	625	729	700	26.3	14.4	25.1	11.9
Nonfarm personal income	1,592,582	1,789,374	70,997	74,057	80,668	83,197	12.3	13.6	12.4	12.3
Total personal income	1,624,665	1,829,515	71,635	74,682	81,397	83,896	12.6	13.6	12.6	12.3
Wage and salary disbursements	1,042,716	1,176,598	47,917	50,355	54,969	56,901	12.6	14.7	12.8	13.0
Other labor income	99,957	115,833	6,170	6,631	7,360	7,695	16.4	19.3	15.9	16.0
Proprietors' income	108,808	126,535	3,293	3,361	3,718	3,668	18.9	12.9	16.3	9.1
Farm	24,448	31,221	524	512	608	572	31.3	16.0	27.7	11.8
Nonfarm	84,360	95,314	2,769	2,849	3,110	3,096	15.3	12.3	13.0	8.7
Dividends, interest, and rent	221,191	250,595	8,053	8,268	8,939	9,223	12.8	11.0	13.3	11.6
Transfer payments	219,202	238,794	8,602	8,740	9,248	9,550	8.2	7.5	8.9	9.3
State unemployment insurance benefits	9,997	8,023	556	556	400	513	-30.3	-32.3	-19.7	-7.6
Less personal contributions	66,792	78,351	2,738	3,012	3,213	3,530	15.1	17.3	17.3	17.2
Plus residence adjustment	-417	-489	338	338	375	389	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	47,917	50,355	54,969	56,901	12.6	14.7	12.8	13.0
Farm	7,215	8,422	103	103	110	116	10.6	6.7	16.7	12.5
Nonfarm	1,035,501	1,168,176	47,814	50,252	54,858	56,786	12.6	14.7	12.8	13.0
Mining	12,013	19,166	186	224	265	285	33.9	42.9	59.5	27.6
Construction	56,564	68,593	2,096	2,263	2,625	2,689	20.1	25.3	21.3	18.8
Manufacturing	285,735	325,636	20,877	22,210	24,592	25,769	13.3	17.8	14.0	16.0
Durable goods	182,321	211,944	17,506	18,739	20,659	21,847	15.2	18.0	16.2	16.6
Nondurable goods	103,414	113,692	3,371	3,470	3,932	3,923	10.0	16.7	9.9	13.0
Private service-type	473,132	532,823	17,196	17,995	19,444	20,069	13.1	13.1	12.6	11.5
Transportation, communication, and public utilities	79,598	88,755	2,570	2,761	2,959	3,037	11.3	15.1	11.5	10.0
Wholesale and retail trade	177,331	201,608	6,781	7,102	7,690	7,991	14.1	13.4	13.7	12.5
Finance, insurance, and real estate	55,930	63,373	1,681	1,777	1,894	1,933	13.2	12.7	13.3	8.8
Services	160,273	179,087	6,164	6,355	6,901	7,108	12.7	12.0	11.7	11.8
Government	204,558	218,008	7,385	7,480	7,847	7,882	6.9	6.3	6.6	5.4
Federal	68,698	73,916	1,094	1,094	1,159	1,193	7.1	5.9	7.6	9.1
State and local	135,860	144,092	6,291	6,386	6,688	6,689	6.8	6.3	6.1	4.7
Other	3,499	3,950	75	81	85	91	14.6	14.0	12.9	12.4

1 Detail may not add to totals because of rounding.
2 Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Michigan¹

	United States		Michigan				U.S.	State	U.S.	State
	1978 I	1979:I	1977:IV	1978 I	1978 IV	1979:I	1977:IV— 1978 IV	1978:I— 1979:I		
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Detroit	---	---	184.0	186.2	201.4	208.4	---	9.5	---	11.9

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2 Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Michigan's civilian labor force increased 2.8 percent, 0.4 percentage point less than in the Nation (table 4). Total employment increased 2.2 percent in the State, 1.6 percentage points less than nationally, to 3.9 million. Among all States, Michigan's increase was the eighth smallest, and among the Great Lakes States, Michigan's increase was the second smallest, after Illinois³.

With the labor force increasing 118,000 and employment increasing 85,000, the number of unemployed increased 33,000, to 345,000. The State's unemployment rate was 8.0 percent in 1979:I, up 0.5 percentage point over the year. The national unemployment rate in 1979:I was 6.3 percent, down 0.5 percentage point over the year. Michigan's 1979:I unemployment rate was the fifth highest in the Nation and the highest in the Great Lakes region. Most Great Lakes States, in contrast, had

unemployment rates that were less than or near the national average. Michigan was one of only a few States to register a large increase in the unemployment rate from year to year.

In March 1979, the preliminary unemployment rate in the State was 8.0 percent, for an increase of 0.8 percentage point since March 1978. In March 1979, unemployment rates among the State's major metropolitan areas ranged from 5.5 percent in Ann Arbor and Grand Rapids to 9.5 percent in Muskegon-North Shores-Muskegon Heights. Over the year, unemployment rates in most major metropolitan areas in the State increased. Major exceptions were Ann Arbor and Lansing-East Lansing, where rates were little changed. In Detroit, the largest metropolitan area in the State, the unemployment rate increased more than 1 percentage point, to 7.7 percent in March 1979.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Michigan

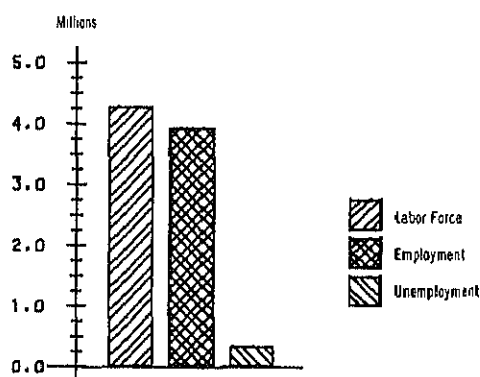


Chart 6.—Unemployment Rates, 1978:I—1979:I

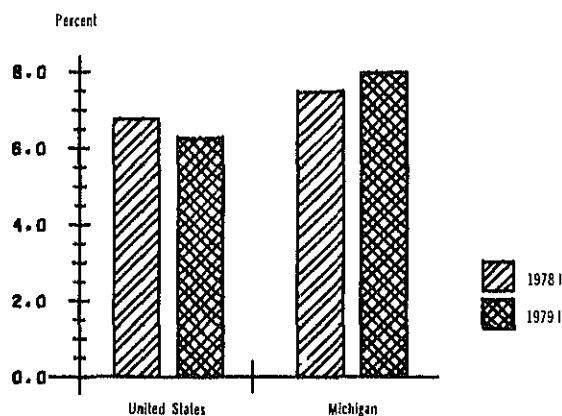


TABLE 4.—Labor Force, United States and Michigan

	United States		Michigan				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978 I	1978:IV	1979:I	1977:IV— 1978 IV		1978:I— 1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	3,510	3,462	3,618	3,552	4.2	3.1	2.9	2.6
Mining	730	896	11	13	13	13	14.4	17.5	22.7	- 8
Construction	3,784	3,973	137	117	157	127	11.2	14.9	5.0	8.6
Manufacturing	20,064	20,652	1,139	1,128	1,172	1,162	3.6	2.9	2.9	2.9
Transportation, communication, and public utilities	4,779	4,943	149	148	153	153	4.4	2.7	3.4	3.0
Wholesale and retail trade	18,937	19,549	720	696	726	705	4.5	.8	3.2	1.3
Finance, insurance, and real estate	4,601	4,790	141	142	146	146	5.2	3.6	4.1	3.3
Services	15,758	16,149	581	583	613	611	4.4	5.5	2.5	4.7
Government	15,435	15,648	632	634	638	635	1.4	.9	1.4	.2
Civilian labor force ³	98,106	101,260	4,165	4,161	4,239	4,278	3.1	1.8	3.2	2.8
Total employed	91,401	94,901	3,870	3,849	3,973	3,934	3.9	2.7	3.8	2.2
Total unemployed	6,705	6,360	295	312	266	345	-8.8	-9.8	-5.1	10.5
Percent unemployed	6.8	6.3	7.1	7.5	6.3	8.1	---	---	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

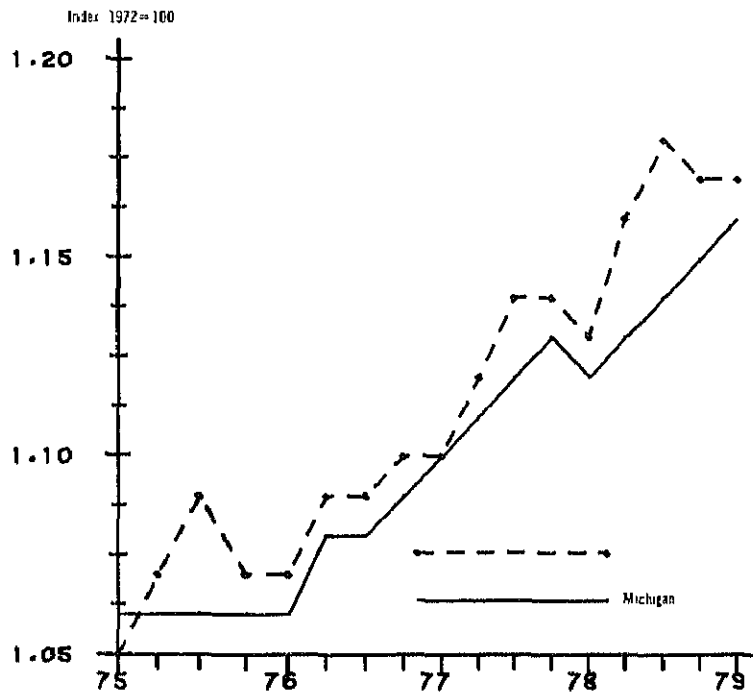


Chart 8.—Civilian Employment

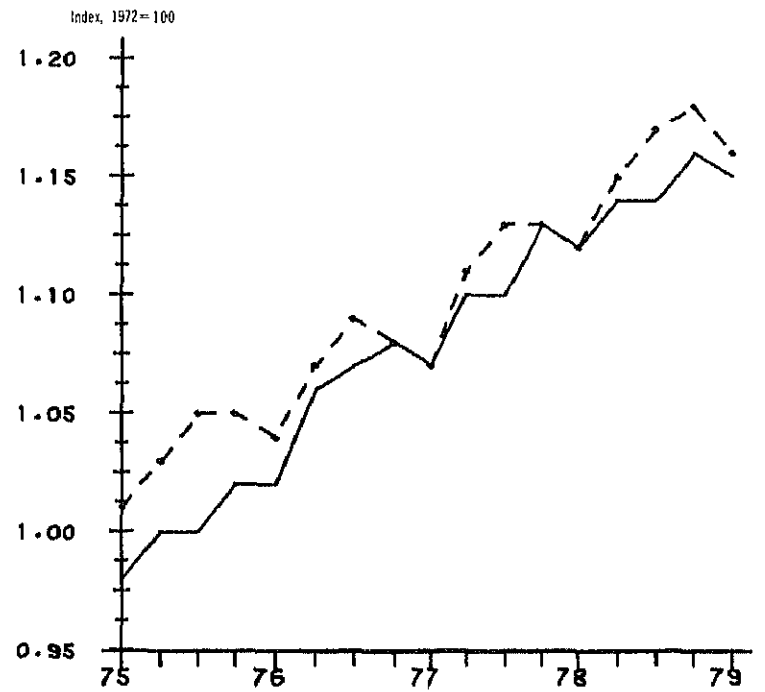


Chart 9.—Unemployment Rate

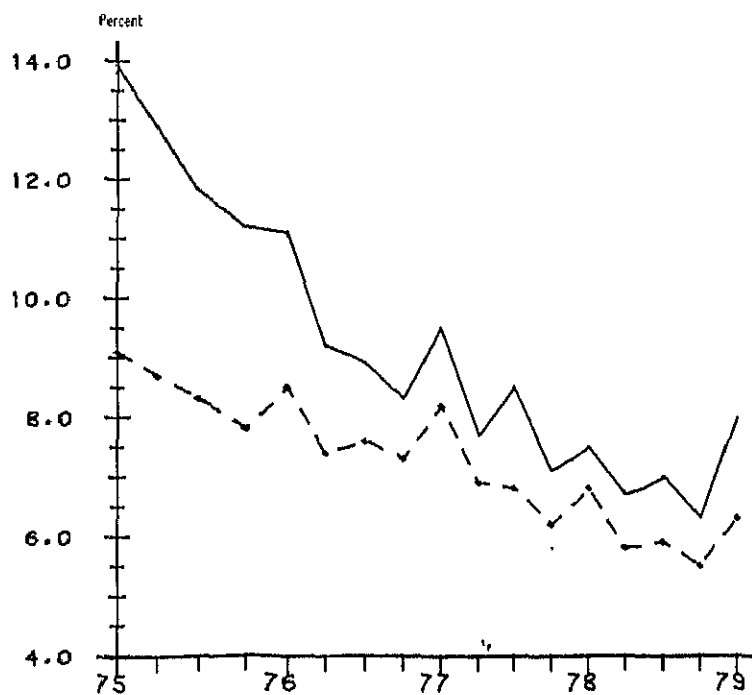
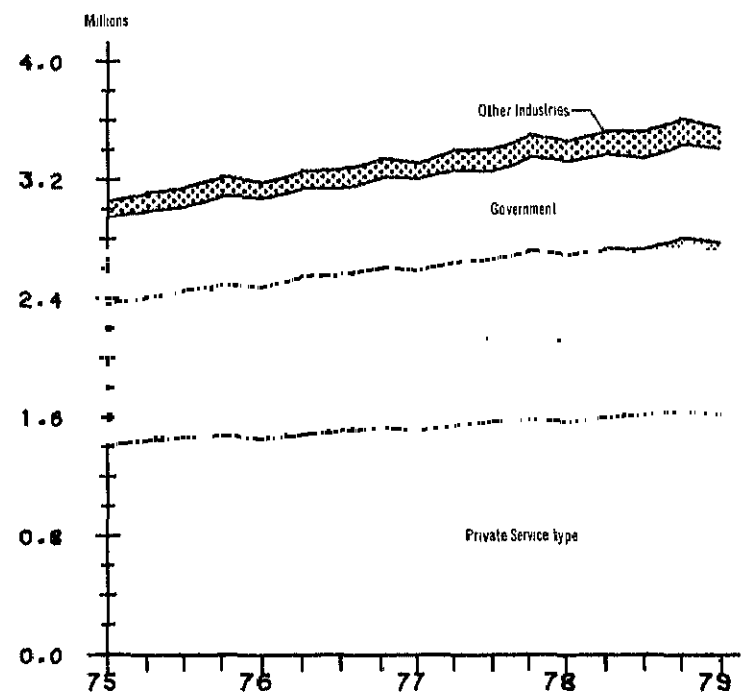


Chart 10.—Industrial Composition of Nonagricultural Employment: Michigan



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Michigan

	United States		Michigan				U S	State	U S	State
	1978 I	1979.I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	23,597	23,929	26,624	n.a	15.6	12.8	---	---
Commercial and industrial	202,241	n.a	5,664	5,827	6,148	n.a	13.3	8.5	---	---
Loans to individuals	143,356	n.a	5,438	5,493	6,502	n.a	18.7	19.6	---	---
Real estate	183,599	n.a	9,971	10,150	11,394	n.a	19.6	14.3	---	---
Residential	104,830	n.a	7,152	7,262	8,206	n.a	22.1	14.7	---	---
Farms	7,919	n.a	198	201	219	n.a	9.6	10.5	---	---
Other	70,851	n.a	2,621	2,688	2,970	n.a	17.0	13.3	---	---
Farms, excluding real estate	25,440	n.a	378	381	395	n.a	9.5	4.7	---	---
Other	64,581	n.a	2,147	2,077	2,184	n.a	7.9	1.8	---	---
Total deposits	911,772	n.a.	36,094	36,199	39,246	n.a.	9.3	8.7	---	---
Demand	344,245	n.a	11,109	9,957	11,696	n.a	5.6	5.3	---	---
Time and savings	567,527	n.a	24,984	26,242	27,550	n.a	11.9	10.3	---	---

1 Data may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans from 1977:IV to 1978:IV increased 12.8 percent in Michigan versus 15.6 percent in the Nation (table 5). In 1978:IV, loans totaled \$26.6 billion, for an increase of \$3.0 billion since 1977:IV. Among all States, only 12 had smaller percentage increases than Michigan. Commercial and industrial loans increased 8.5 percent versus 13.3 percent in the Nation. Similarly, real estate loans increased 14.3 percent in

Michigan versus 19.6 percent in the Nation. In contrast, loans to individuals increased 19.6 percent versus 18.7 percent in the Nation.

Total deposits increased 8.7 percent in Michigan from 1977:IV to 1978:IV, 0.6 percentage point less than in the Nation. In 1978:IV, deposits totaled \$39.2 billion, for an increase of \$3.2 billion since 1977:IV. Time and savings deposits increased 10.3 percent in Michigan versus 11.9 percent in the Nation. In contrast, demand deposits increased about 5.5 percent in both the State and Nation.

From 1978:I to 1979:I, the total valuation of construction contracts declined 4.0 percent in Michigan versus an increase of 19.8 percent in the Nation (table 6). Among all States, Michigan's change ranked 43rd. Among the Great Lakes States, only Illinois had a sharper decline. Changes in the valuation of contracts in nearly all major construction categories were smaller in Michigan than in the Nation. In 1979:I, the total valuation of contracts in Michigan was \$1.4 billion, for a decline of \$58 million since 1978:I. Two large contracts in 1978:I—a \$400 million contract for an electric generating plant in St. Clair County and a \$43 million contract for sewage facilities in Washtenaw County—raised the total valuation of contracts in Michigan to an unusually high level, thereby distorting the subsequent year-to-year change. If both of these contracts are excluded, the total valuation of contracts in the State would have increased about 39 percent (\$386 million).

Nationally, construction costs increased about 14 percent; if this national increase is representative of cost changes in Michigan, the real valuation of construction contracts (including both large contracts) declined about 18 percent versus an increase of about 6 percent in the Nation. Excluding both large contracts, the real increase in the State would have been about 25 percent.

Reflecting the electric generating plant and sewage facilities noted above, the valuation of nonbuilding contracts declined 51.3 percent (\$283 million) in Michigan, in sharp contrast to an increase of 23.7 percent in the Nation. In contrast, street and highway contracts—a major component of nonbuilding contracts—increased 168.2 percent versus 61.2 percent in the Nation.

The housing market was weak in Michigan from 1978:I to 1979:I. The valuation of contracts for additions and alterations to residential housekeeping units increased only 7.1 percent in the State versus 17.9 percent in the Nation. Among all States, this increase ranked 44th, and among the Great Lakes States, it ranked last. The valuation of contracts for new residential housekeeping units increased 6.4 percent in Michigan versus 11.8 percent in the Nation. Among all States, this increase ranked 26th, and among the Great Lakes States, it ranked first. The number of dwelling units started declined 4.8 percent in the State and increased 2.6 percent in the Nation. The number of dwelling units started in Michigan declined 481 units, to 9,545 units in 1979:I. Each Great Lakes State had a decline in the number of dwelling units started.

The valuation of nonresidential contracts increased 62.8 percent in Michigan versus 28.0 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

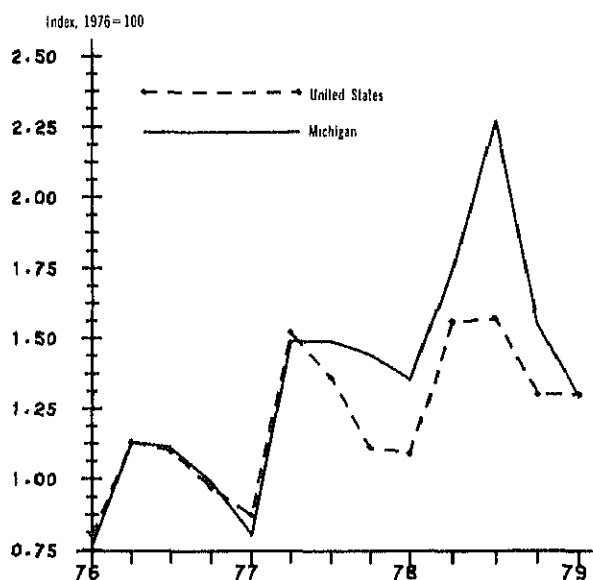


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Michigan

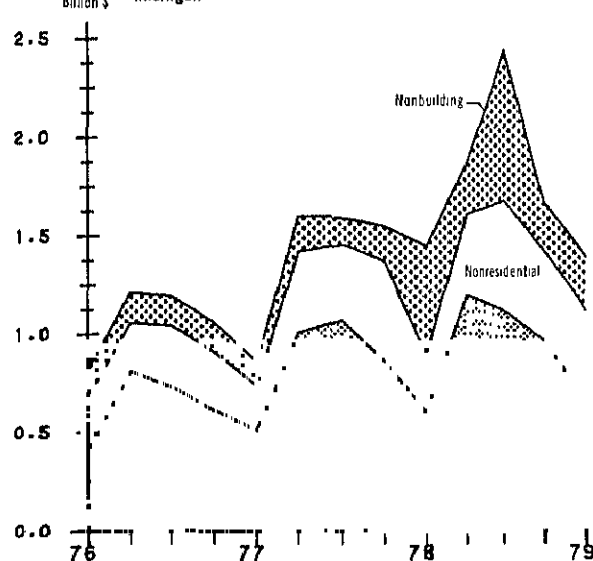


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

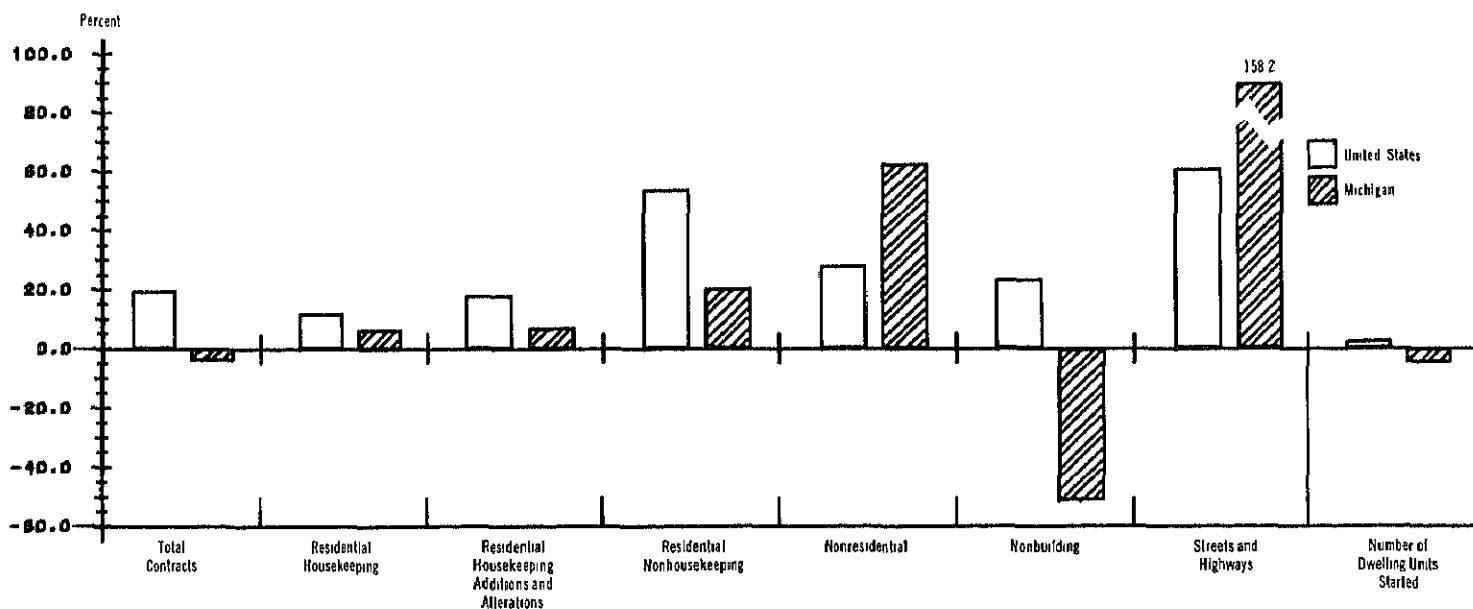


TABLE 6.—Construction Contracts, United States and Michigan¹

	United States		Michigan				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	1,546,921	1,445,515	1,666,918	1,387,967	16.8	7.8	19.8	-4.0
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	323,242	229,291	349,779	245,629	14.6	8.2	17.9	7.1
All other contracts										
Number of contracts	53,028	53,454	2,797	1,783	2,267	1,871	-9.3	-18.9	.8	4.9
Valuation (thousands of dollars)	32,202,931	38,675,376	1,223,679	1,216,224	1,317,139	1,142,338	17.3	7.6	20.1	-6.1
Floor area (thousands of square feet)	807,538	904,811	34,690	22,959	33,817	24,528	10.3	-2.5	12.0	6.8
Residential housekeeping										
Number of contracts	13,592	14,399	453	354	443	370	-4.3	-2.2	5.9	4.5
Number of dwelling units	404,171	414,826	15,185	10,026	16,942	9,545	-2	11.6	2.6	-4.8
Valuation (thousands of dollars)	13,806,696	15,431,523	530,063	358,111	603,502	380,941	15.6	13.9	11.8	6.4
Floor area (thousands of square feet)	546,445	571,860	19,070	12,889	21,001	12,898	10.7	10.1	4.7	1
Residential nonhousekeeping										
Number of contracts	441	464	14	13	15	11	-4	7.1	5.2	-15.4
Valuation (thousands of dollars)	327,201	504,158	9,593	13,898	10,520	16,726	54.9	9.7	54.1	20.3
Floor area (thousands of square feet)	8,179	11,483	312	325	264	272	34.7	-15.3	40.4	-16.4
Nonresidential										
Number of contracts	25,282	23,514	1,556	1,000	1,369	1,023	-12.0	-12.0	-7.0	2.3
Valuation (thousands of dollars)	9,056,146	11,595,243	507,570	292,481	453,820	476,042	16.3	-10.6	28.0	62.8
Floor area (thousands of square feet)	252,915	321,468	15,307	9,745	12,552	11,359	8.7	-18.0	27.1	16.6
Nonbuilding										
Number of contracts	13,713	15,077	774	416	440	467	-9.1	-43.2	9.9	12.3
Valuation (thousands of dollars)	9,012,888	11,144,452	176,453	551,734	249,297	268,629	20.6	41.3	23.7	-51.3
Streets and Highways										
Number of contracts	3,989	4,750	168	71	105	148	-17.8	-37.5	19.1	108.5
Valuation (thousands of dollars)	1,399,453	2,255,221	58,727	16,964	35,384	43,794	-18.1	-39.7	61.2	158.2

1 Contracts started or expected to start within 60 days
2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
NOTE.—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Michigan totaled nearly \$8.8 billion in 1979:I, up 20.0 percent (\$1.5 billion) since 1978:I, compared with a 15.8-percent national increase (table 7). In 1979:I, nondurable goods accounted for \$5.4 billion of the total, and durable goods accounted for \$3.4 billion.

TABLE 7.—Retail Sales, United States and Michigan

	United States		Michigan				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV-- 1978 IV		1978 I-- 1979 I	
	Millions of dollars, not seasonally adjusted							Percent change		
Retail sales	167,940	194,529	8,747	7,294	10,028	8,750	11.2	14.6	15.8	20.0
Durable goods	55,388	68,203	n a	n a	3,656	3,368	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n a	n a	6,372	5,382	9.2	---	12.3	---

n a Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Michigan

	United States		Michigan				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	3,332	4,296	3,796	n.a.	13.2	13.9	---	---
Total number of business failures	1,729	n.a.	95	89	81	n.a.	-4.9	-14.7	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	12,309	19,366	31,489	n.a.	13.7	155.8	---	---
Average liability per failure (thousands of dollars)	404	n.a.	130	218	389	n.a.	19.4	199.2	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	5	9	10	n.a.	6.0	100.0	---	---
Construction	279	n.a.	21	12	22	n.a.	-8.2	4.8	---	---
Wholesale trade	205	n.a.	11	11	12	n.a.	-6.3	9.1	---	---
Retail trade	769	n.a.	49	42	31	n.a.	-4	-36.7	---	---
Commercial services	205	n.a.	9	15	6	n.a.	-23.5	-33.3	---	---

n a Data not available

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 10.3% vs. 12.6% in U.S., to \$33.6 billion
- Farm personal income down 24.2% vs. 25.1% increase in U.S.
- Payrolls up 14.1% in nondurables manufacturing vs. 9.9% in U.S.

Consumer prices

- Up 11.5% in Minneapolis-St. Paul vs. 9.9% in U.S.

Employment

- Up 2.2% vs. 3.8% in U.S., to 1.9 million

Unemployment

- Down 1,000, to 90,000
- Rate down to 4.5% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up 21.4% vs. 19.8% in U.S., to \$684.3 million
- Valuation of nonresidential contracts up 121.8% vs. 28.0% in U.S.
- Number of dwelling-unit starts up 5.5% vs. 2.6% in U.S., to 6,633

Retail sales

- Up 12.8% vs. 15.8% in U.S., to \$3.6 billion

TABLE 1.—Summary of Economic Indicators, United States and Minnesota

	United States		Minnesota				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	29,850	30,470	32,872	33,606	12.6	10.1	12.6	10.3
Total wages and salaries (millions of dollars).	1,042,716	1,176,598	18,130	19,165	20,834	21,707	12.6	14.9	12.8	13.3
Civilian employment (thousands)	91,401	94,901	1,859	1,806	1,962	1,904	3.9	5.6	3.8	5.4
Unemployment (thousands)	6,705	6,360	85	91	70	90	-8.8	-18.3	-5.1	-1.6
Percent unemployed (unemployment/labor force)	6.8	6.3	4.4	4.8	3.4	4.5	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	12,144	12,608	13,996	n.a.	15.6	15.3	---	---
Total deposits (millions of dollars)	911,772	n.a.	18,028	17,511	19,925	n.a.	9.3	10.5	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	828,001	563,888	898,858	684,315	16.8	8.6	19.8	21.4
Dwelling units started (number)	404,171	414,826	9,745	6,290	9,384	6,633	-.2	-3.7	2.6	5.5
Total retail sales (millions of dollars)	167,940	194,529	3,820	3,190	4,149	3,597	11.2	8.6	15.8	12.8
New business incorporations (number)	115,247	n.a.	1,573	1,775	1,757	n.a.	13.2	11.7	---	---
Business failures (number)	1,729	n.a.	38	45	49	n.a.	-4.9	28.9	---	---
Consumer Price Index (1967=100):										
U S city average.	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Minneapolis—St. Paul.	---	---	187.0	190.5	207.7	212.5	---	11.1	---	11.5

n.a. Data not available.

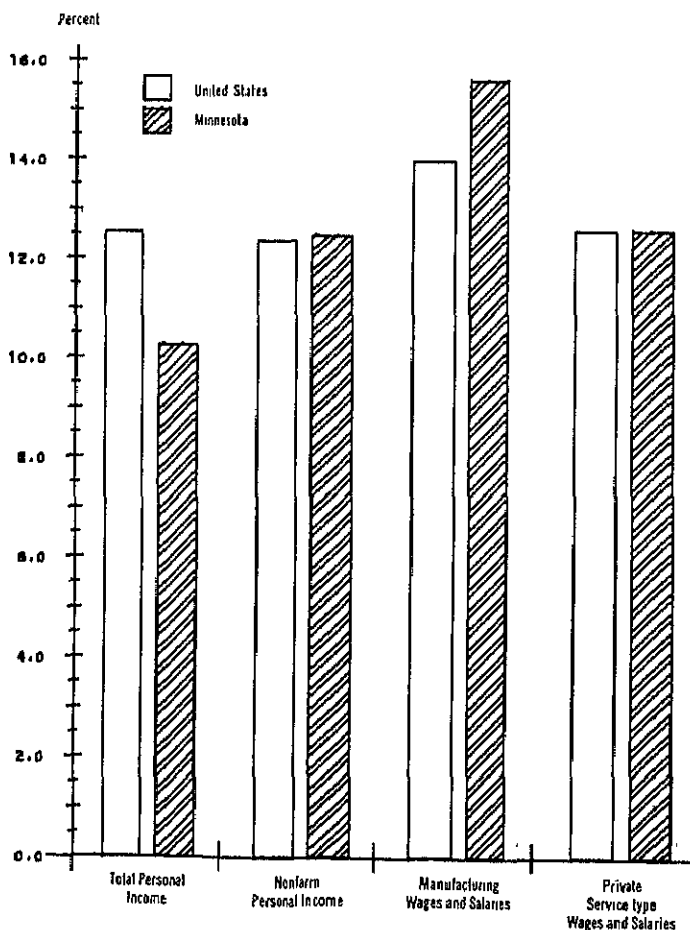
Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Minnesota increased 10.3 percent from 1978:I to 1979:I, compared with 12.6 percent nationally (table 2). The State's percentage increase, the eighth smallest in the Nation, brought personal income to a total of \$33.6 billion, up \$3.1 billion since 1978:I. Minnesota's lag in personal income growth was primarily due to a 24.2-percent decline in farm personal income versus a 25.1-percent national increase. The State's farm income accounts for a larger share of total personal income in Minnesota than in most States. The State's nonfarm personal income increased 12.5 percent, 0.1 percentage point more than nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



The Consumer Price Index for the Minneapolis-St. Paul metropolitan area increased 11.5 percent from 1978:I to 1979:I, compared with a 9.9-percent national city average increase (table 3). If the Minneapolis-St. Paul increase is taken as an indicator for price increases statewide, real personal income sustained a decline of 1.2 percent in Minnesota versus a 2.7-percent increase nationally.

Wage and salary disbursements (payrolls) in Minnesota increased 13.3 percent versus 12.8 percent nationally. In 1979:I, payrolls totaled \$21.7 billion, up \$2.5 billion since 1978:I. Manufacturing payrolls increased 15.6 percent in Minnesota and 14.0 percent in the Nation. Strength was pronounced in nondurables manufacturing—up 14.1 percent in the State versus 9.9 percent in the Nation.

Payrolls in the private service-type industry group increased 12.6 percent, the same as nationally. Payroll increases in transportation-communication-public utilities and trade were slightly above those of national counterparts, while increases in finance-insurance-real estate and services were slightly below those of national counterparts.

Federal Government payrolls increased 8.0 percent in the State versus 7.6 percent nationally, and State and local government payrolls increased 5.6 percent, slightly less than nationally.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

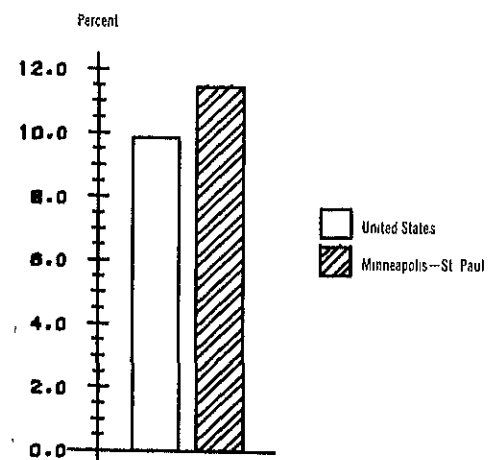


Chart 3—Total Personal Income
[Seasonally adjusted]

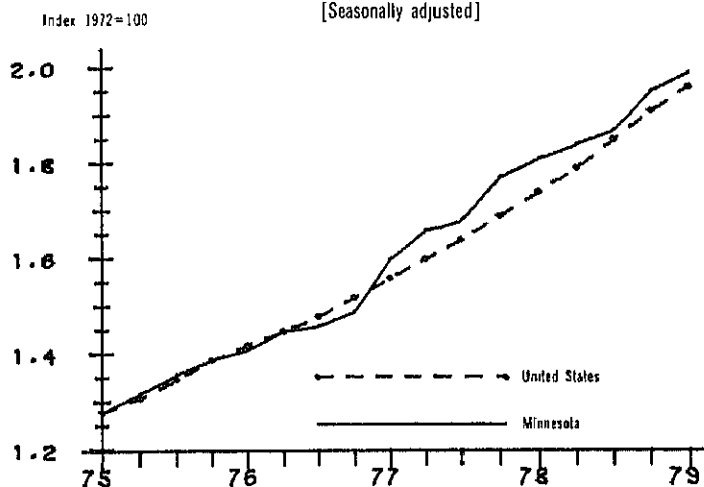


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

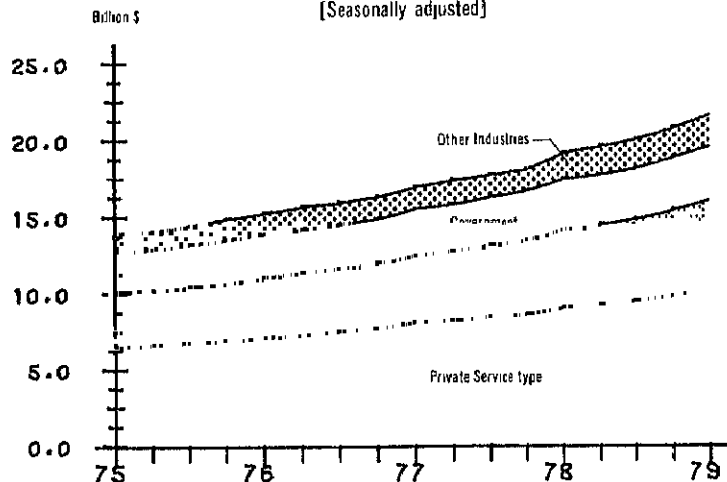


TABLE 2.—Personal Income, United States and Minnesota

	United States		Minnesota				U S	State	U.S	State
	1978 I	1979: I	1977: IV	1978: I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	29,850	30,470	32,872	33,606	12.6	10.1	12.6	10.3
Farm personal income	32,083	40,141	2,434	1,816	1,702	1,377	26.3	-30.1	25.1	-24.2
Nonfarm personal income	1,592,582	1,789,374	27,416	28,654	31,170	32,229	12.3	13.7	12.4	12.5
Total personal income	1,624,665	1,829,515	29,850	30,470	32,872	33,606	12.6	10.1	12.6	10.3
Wage and salary disbursements	1,042,716	1,176,598	18,130	19,165	20,834	21,707	12.6	14.9	12.8	13.3
Other labor income	99,957	115,833	1,769	1,908	2,115	2,215	16.4	19.5	15.9	16.1
Proprietors' income	108,808	126,535	3,713	3,168	3,194	2,874	18.9	-14.0	16.3	-9.3
Farm	24,448	31,221	2,259	1,639	1,505	1,167	31.3	-33.4	27.7	-28.8
Nonfarm	84,360	95,314	1,454	1,528	1,689	1,706	15.3	16.2	13.0	11.6
Dividends, interest, and rent	221,191	250,595	3,988	4,110	4,475	4,629	12.8	12.2	13.3	12.6
Transfer payments	219,202	238,794	3,506	3,514	3,737	3,820	8.2	6.6	8.9	8.7
State unemployment insurance benefits	9,997	8,023	197	139	105	115	-30.3	-46.6	-19.7	-17.4
Less: personal contributions	66,792	78,351	1,229	1,362	1,449	1,602	15.1	17.9	17.3	17.7
Plus: residence adjustment	-417	-489	-26	-34	-34	-37	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	18,130	19,165	20,834	21,707	12.6	14.9	12.8	13.3
Farm	7,215	8,422	169	170	190	202	10.6	12.7	16.7	18.8
Nonfarm	1,035,501	1,168,176	17,961	18,995	20,644	21,505	12.6	14.9	12.8	13.2
Mining	12,013	19,166	114	261	352	357	33.9	210.0	59.5	36.7
Construction	56,564	68,593	1,056	1,208	1,368	1,481	20.1	29.6	21.3	22.6
Manufacturing	285,735	325,636	4,908	5,102	5,608	5,897	13.3	14.3	14.0	15.6
Durable goods	182,321	211,944	2,908	3,052	3,338	3,559	15.2	14.8	16.2	16.6
Nondurable goods	103,414	113,692	2,000	2,050	2,270	2,338	10.0	13.5	9.9	14.1
Private service type	473,132	532,823	8,619	9,092	9,842	10,234	13.1	14.2	12.6	12.6
Transportation, communication, and public utilities	79,598	88,755	1,479	1,525	1,620	1,734	11.3	9.6	11.5	13.7
Wholesale and retail trade	177,331	201,608	3,498	3,705	4,114	4,240	14.1	17.6	13.7	14.4
Finance, insurance, and real estate	55,930	63,373	974	1,022	1,112	1,150	13.2	14.2	13.3	12.5
Services	160,273	179,087	2,669	2,839	2,996	3,109	12.7	12.3	11.7	9.5
Government	204,558	218,008	3,215	3,276	3,417	3,474	6.9	6.3	6.6	6.0
Federal	68,698	73,916	565	581	616	627	7.1	9.0	7.6	8.0
State and local	135,860	144,092	2,650	2,695	2,801	2,847	6.8	5.7	6.1	5.6
Other	3,499	3,950	50	55	58	62	14.6	14.7	12.9	13.0

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Minnesota¹

	United States		Minnesota				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977-IV- 1978 IV		1978:I- 1979:I	
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Minneapolis-St. Paul	---	---	187.0	190.5	207.7	212.5	---	11.1	---	11.5

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time

Labor Force

From 1978:I to 1979:I, Minnesota's civilian labor force increased 5.1 percent versus 3.2 percent nationally (table 4). The State's percentage increase was the eighth largest in the Nation. Total employment increased 5.4 percent versus 3.8 percent nationally.

With the labor force increasing about 97,000 and total employment increasing about 98,000, the number of unemployed in the State declined

about 1,000, to 90,000. The unemployment rate declined 0.3 percentage point, to 4.5 percent of the labor force in 1979:I, compared with 6.3 percent in the Nation. Only eight States—five of them in the Rocky Mountain and Plains regions—had unemployment rates lower than Minnesota's.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Minnesota

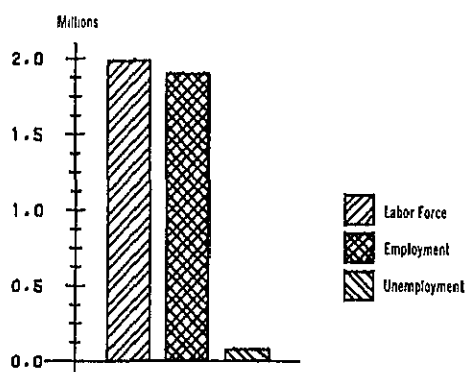


Chart 6.—Unemployment Rates, 1978:I—1979:I

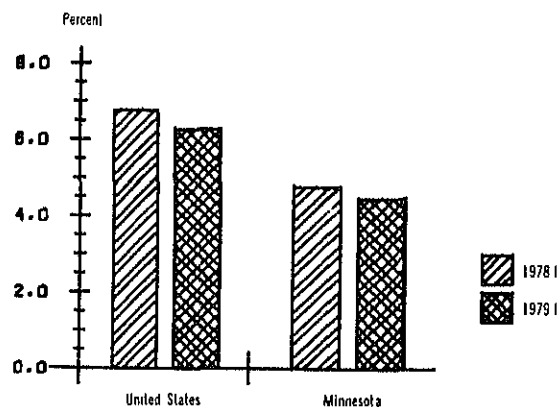


TABLE 4.—Labor Force, United States and Minnesota

	United States		Minnesota				U.S	State	U.S	State
	1978 I	1979:I	1977 IV	1978 I	1978 IV	1979:I	1977:IV— 1978 IV	1978 I— 1979:I		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,638	1,614	1,726	1,689	4.2	5.4	2.9	4.6
Mining	730	896	11	14	17	16	14.4	56.4	22.7	13.4
Construction	3,784	3,973	75	60	87	67	11.2	15.6	5.0	12.1
Manufacturing	20,064	20,652	347	344	365	365	3.6	5.3	2.9	6.2
Transportation, communication, and public utilities	4,779	4,943	94	93	98	97	4.4	4.1	3.4	4.6
Wholesale and retail trade	18,937	19,549	414	405	438	424	4.5	5.9	3.2	4.7
Finance, insurance, and real estate	4,601	4,790	84	83	88	89	5.2	5.4	4.1	6.7
Services	15,758	16,149	320	319	338	335	4.4	5.8	2.5	4.9
Government	15,435	15,648	294	296	295	296	1.4	3	1.4	-1
Civilian labor force ³	98,106	101,260	1,944	1,897	2,032	1,994	3.1	4.5	3.2	5.1
Total employed	91,401	94,901	1,859	1,806	1,962	1,904	3.9	5.6	3.8	5.4
Total unemployed	6,705	6,360	85	91	70	90	-8.8	-18.3	-5.1	-1.6
Percent unemployed	6.8	6.3	4.4	4.8	3.4	4.5	---	---	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

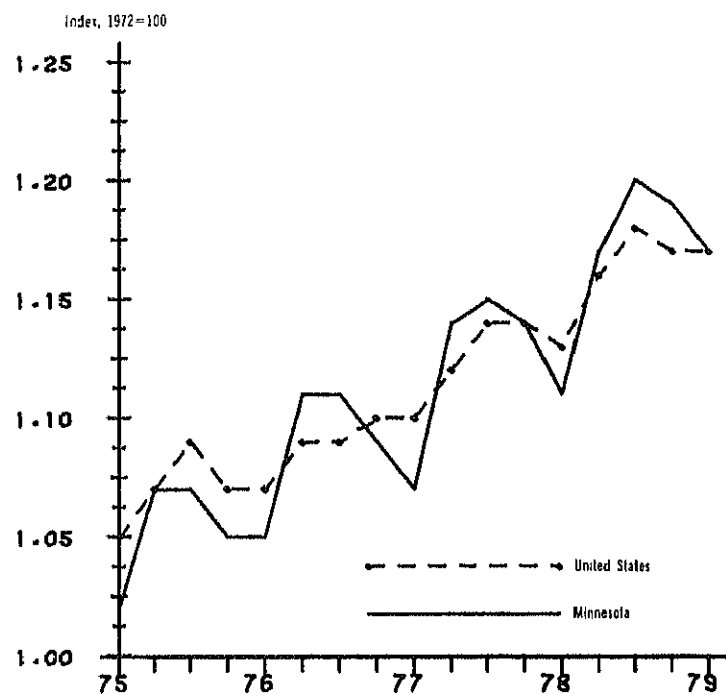


Chart 8.—Civilian Employment

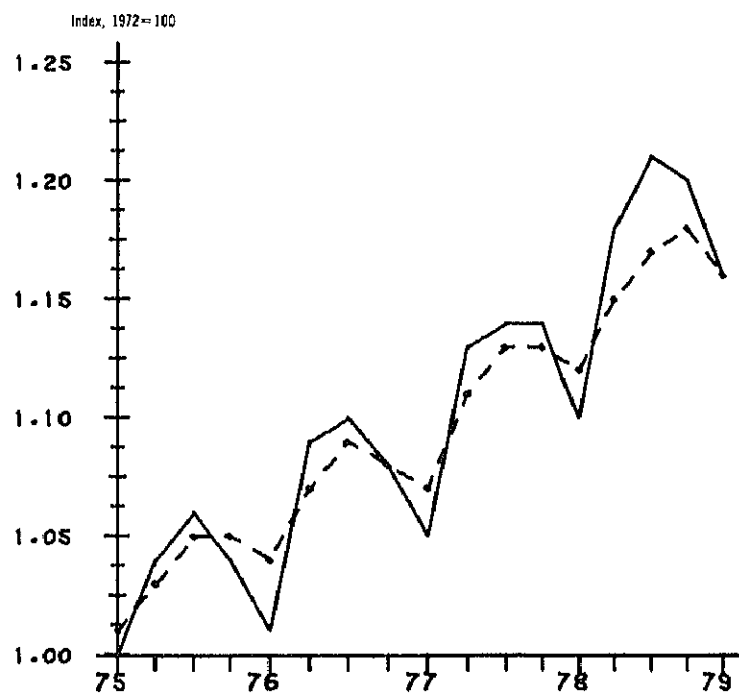


Chart 9.—Unemployment Rate

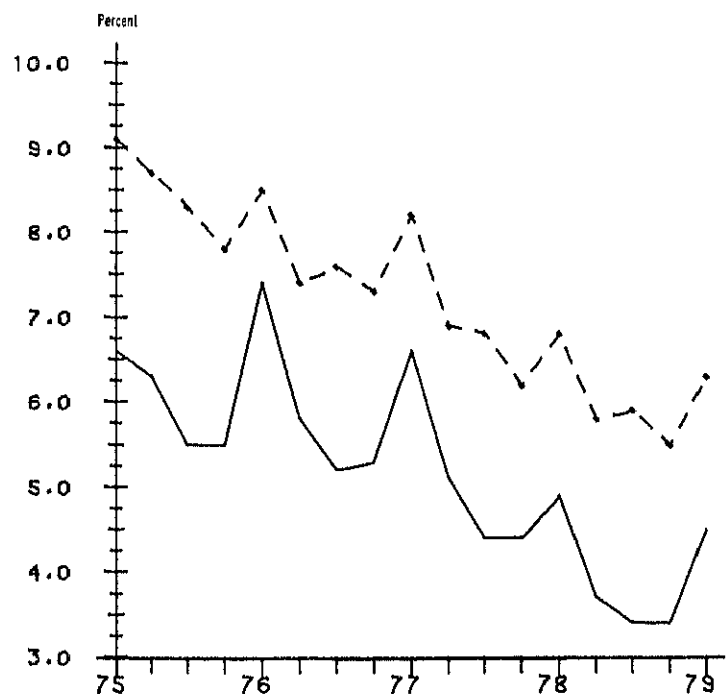
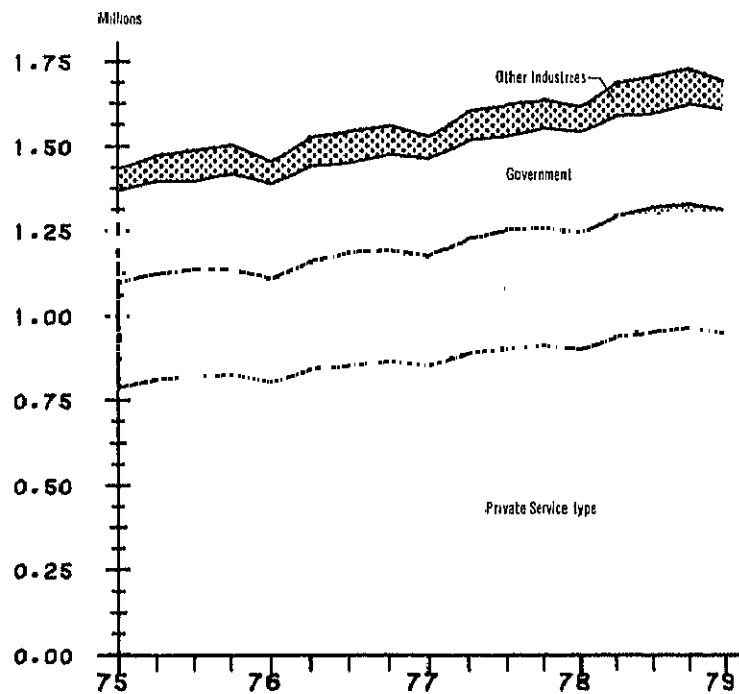


Chart 10.—Industrial Composition of Nonagricultural Employment: Minnesota



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Minnesota

	United States		Minnesota				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	12,144	12,608	13,996	n.a.	15.6	15.3	---	---
Commercial and industrial	202,241	n.a.	3,594	3,877	4,117	n.a.	13.3	14.5	---	---
Loans to individuals	143,356	n.a.	2,444	2,503	2,833	n.a.	18.7	15.9	---	---
Real estate	183,599	n.a.	3,802	3,911	4,382	n.a.	19.6	15.3	---	---
Residential	104,830	n.a.	2,482	2,539	2,872	n.a.	22.1	15.7	---	---
Farms	7,919	n.a.	248	253	277	n.a.	9.6	11.5	---	---
Other	70,851	n.a.	1,072	1,118	1,234	n.a.	17.0	15.1	---	---
Farms, excluding real estate	25,440	n.a.	1,337	1,366	1,575	n.a.	9.5	17.8	---	---
Other	64,581	n.a.	967	951	1,089	n.a.	7.9	12.6	---	---
Total deposits	911,772	n.a.	18,028	17,511	19,925	n.a.	9.3	10.5	---	---
Demand	344,245	n.a.	6,223	5,478	6,817	n.a.	5.6	9.5	---	---
Time and savings	567,527	n.a.	11,805	12,033	13,109	n.a.	11.9	11.0	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in Minnesota increased 15.3 percent from 1977:IV to 1978:IV, 0.3 percentage point less than nationally (table 5). In 1978:IV, bank loans totaled almost \$14.0 billion, up almost \$1.9 billion since 1977:IV. Increases in loans to individuals (15.9 percent) and real estate loans (15.3 percent) were below corresponding national increases, while increases in commercial and industrial loans (14.5 percent) and farm loans, excluding real estate (17.8 percent) were above corresponding

national increases. The State's increase in farm loans was over 8 percentage points more than nationally and was the fourth largest increase in the Nation.

Total deposits in Minnesota increased 10.5 percent from 1977:IV to 1978:IV versus 9.3 percent nationally. In 1978:IV, bank deposits totaled almost \$20.0 billion, up almost \$1.9 billion since 1977:IV. Demand deposits increased 9.5 percent, nearly 4.0 percentage points more than nationally and the eighth largest increase among all States. Time and savings deposits increased 11.0 percent, 0.9 percentage point less than nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased \$120 million, to \$684 million, a 21.4-percent increase; this increase slightly exceeded the national increase of 19.8 percent (table 6). National construction costs increased about 14 percent during the same timespan; if this national increase is representative of cost changes in Minnesota, the real valuation of construction contracts in the State increased over 7 percent, compared with a real increase of less than 6 percent in the Nation

The increase in the State's total valuation of contracts was mainly due to an increase in the valuation of nonresidential contracts, up 121.8 percent (\$119 million) versus 28.0 percent nationally. Only three States (Connecticut, Delaware, and Rhode Island) registered larger percentage increases during this timespan.

Residential nonhousekeeping contracts increased 55.3 percent in valuation, compared with 54.1 percent in the Nation.

In sharp contrast, nonbuilding contracts declined 8.7 percent in valuation (\$10.4 million) versus a 23.7-percent increase nationally. It should be noted, however, that a \$67 million contract in 1978:I for the construction of a sewage treatment plant in Ramsey County increased the valuation of nonbuilding contracts in 1978:I to an unusually high level, thus distorting the subsequent year-to-year change. Without the sewage treatment plant contract, the valuation of nonbuilding contracts would have increased 107.5 percent from year to year. There was a 286.0-percent increase in the valuation of the street and highway component of nonbuilding construction, compared with a 61.2-percent national increase.

The valuation of residential housekeeping contracts declined 2.3 percent, compared with an 11.8-percent increase in the Nation. However, the number of dwelling units started in the State increased 5.5 percent, more than twice the national rate of increase. Additions and alterations to residential housekeeping units increased 14.1 percent (\$13.7 million) in valuation versus 17.9 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

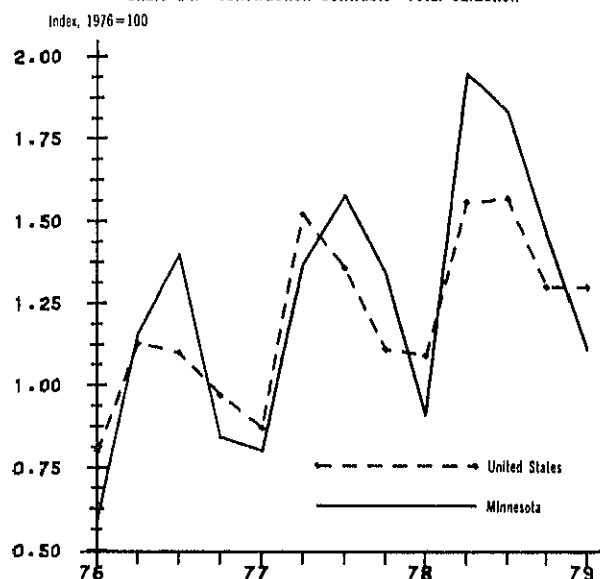


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Minnesota

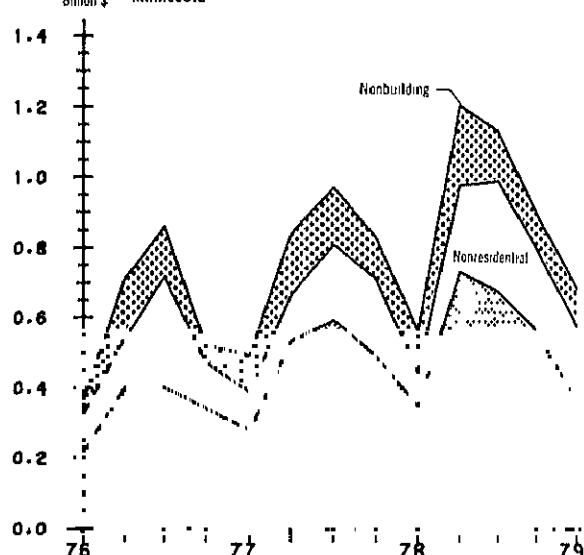


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I — 1979:I

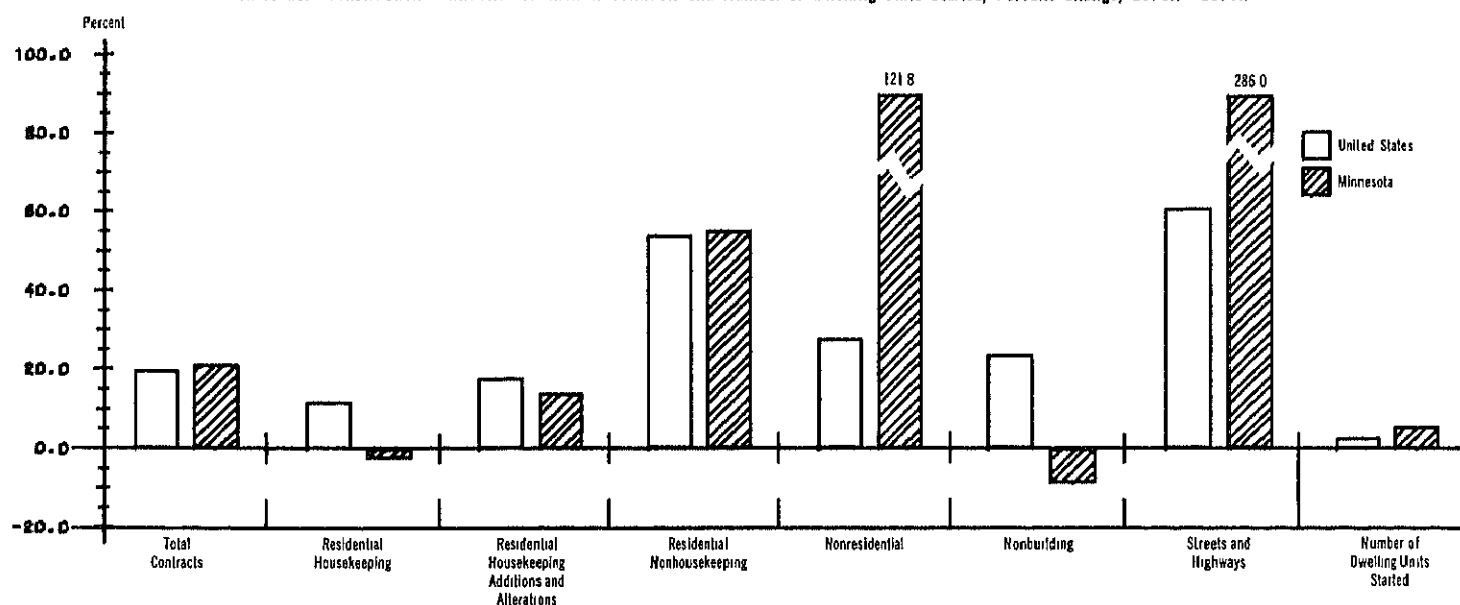


TABLE 6.—Construction Contracts, United States and Minnesota¹

	United States		Minnesota				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	828,001	563,888	898,858	684,315	16.8	8.6	19.8	21.4
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	147,462	97,450	156,359	111,200	14.6	6.0	17.9	14.1
All other contracts										
Number of contracts	53,028	53,454	1,434	962	1,393	1,160	-9.3	-2.9	8	20.6
Valuation (thousands of dollars)	32,202,931	38,675,376	680,539	466,438	742,499	573,115	17.3	9.1	20.1	22.9
Floor area (thousands of square feet)	807,538	904,811	18,984	11,603	21,345	15,123	10.3	12.4	12.0	30.3
Residential housekeeping										
Number of contracts	13,592	14,399	399	333	371	363	-4.3	-7.0	5.9	9.0
Number of dwelling units	404,171	414,826	9,745	6,290	9,384	6,633	-2	-3.7	2.6	5.5
Valuation (thousands of dollars)	13,806,696	15,431,523	339,975	242,494	365,995	236,947	15.6	7.7	11.8	-2.3
Floor area (thousands of square feet)	546,445	571,860	12,320	8,479	12,767	8,853	10.7	3.6	4.7	4.4
Residential nonhousekeeping										
Number of contracts	441	464	7	13	12	12	-4	71.4	5.2	-7.7
Valuation (thousands of dollars)	327,201	504,158	4,113	6,674	41,061	10,363	54.9	898.3	54.1	55.3
Floor area (thousands of square feet)	8,179	11,483	143	162	1,052	294	34.7	634.3	40.4	81.3
Nonresidential										
Number of contracts	25,282	23,514	542	369	540	345	-12.0	-4	-7.0	-6.5
Valuation (thousands of dollars)	9,056,146	11,595,243	219,913	97,658	236,346	216,608	16.3	7.5	28.0	121.8
Floor area (thousands of square feet)	252,915	321,468	6,521	2,962	7,526	5,976	8.7	15.4	27.1	101.7
Nonbuilding										
Number of contracts	13,713	15,077	486	247	470	440	-9.1	-3.3	9.9	78.1
Valuation (thousands of dollars)	9,012,888	11,144,452	116,538	119,612	99,097	109,197	20.6	-15.0	23.7	-8.7
Streets and Highways										
Number of contracts	3,989	4,750	131	67	89	158	-17.8	-32.1	19.1	135.8
Valuation (thousands of dollars)	1,399,453	2,255,221	26,752	13,383	25,686	51,655	-18.1	-4.0	61.2	286.0

¹ Contracts started or expected to start within 60 days² Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Minnesota totaled \$3.6 billion in 1979:I, up 12.8 percent (\$407 million) since 1978:I; the U.S. increase was 15.8 percent (table 7). In 1979:I, durable goods accounted for \$1.4 billion of the State total, and nondurable goods accounted for \$2.2 billion.

TABLE 7.—Retail Sales, United States and Minnesota

	United States		Minnesota				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	3,820	3,190	4,149	3,597	11.2	8.6	15.8	12.8
Durable goods	55,388	68,203	n a	n a	1,503	1,353	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n a	n a	2,646	2,244	9.2	---	12.3	---

n a Data not available

Source: U.S. Department of Commerce, Bureau of Census

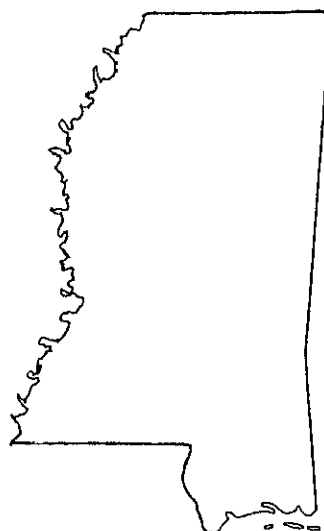
TABLE 8.—Business Incorporations and Failures, United States and Minnesota

	United States		Minnesota				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,573	1,775	1,757	n.a.	13.2	11.7	---	---
Total number of business failures	1,729	n.a.	38	45	49	n.a.	-4.9	28.9	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	4,137	4,910	15,360	n.a.	13.7	271.3	---	---
Average liability per failure (thousands of dollars)	404	n.a.	109	109	313	n.a.	19.4	187.2	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	4	5	9	n.a.	6.0	125.0	---	---
Construction	279	n.a.	7	7	6	n.a.	-8.2	-14.3	---	---
Wholesale trade	205	n.a.	4	5	8	n.a.	-6.3	100.0	---	---
Retail trade	769	n.a.	18	24	24	n.a.	-4	33.3	---	---
Commercial services	205	n.a.	5	4	4	n.a.	-23.5	-20.0	---	---

n a Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



MISSISSIPPI Highlights

1978:I to 1979:I

Personal income

- Up 14.5% vs. 12.6% in U.S., to \$14.8 billion
- Payrolls up 15.2% in State and local government vs. 6.1% in U.S. and 14.6% in nondurables manufacturing vs. 9.9% in U.S.

Employment

- Up 4.3% vs. 3.8% in U.S., to 906,000

Unemployment

- Unchanged, at 66,000
- Rate down to 6.8% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up 612.7% vs. 19.8% in U.S.
- Valuation of nonbuilding contracts up substantially (because of large electric generating plant contract) vs. 23.7% increase in U.S.
- Number of dwelling-unit starts down 4.2% vs. 2.6% increase in U.S.

TABLE 1.—Summary of Economic Indicators, United States and Mississippi

	United States		Mississippi				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV		1978:I— 1979:I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	12,570	12,916	14,265	14,788	12.6	13.5	12.6	14.5
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	7,487	7,764	8,516	8,906	12.6	13.7	12.8	14.7
Civilian employment (thousands)	91,401	94,901	909	869	911	906	3.9	2	3.8	4.3
Unemployment (thousands)	6,705	6,360	68	66	64	66	-8.8	-6.2	-5.1	2
Percent unemployed (unemployment/labor force)	6.8	6.3	7.0	7.1	6.6	6.8	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	4,487	4,596	5,348	n.a.	15.6	19.2	---	---
Total deposits (millions of dollars)	911,772	n.a.	7,351	7,616	8,314	n.a.	9.3	13.1	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	485,992	368,266	528,341	2,624,585	16.8	8.7	19.8	612.7
Dwelling units started (number)	404,171	414,826	5,423	5,573	5,860	5,339	-2	8.1	2.6	-4.2
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	-4.4	15.8	---
New business incorporations (number)	115,247	n.a.	930	976	889	n.a.	13.2	---	---	---
Business failures (number)	1,729	n.a.	6	6	10	n.a.	-4.9	66.7	---	---
Consumer Price Index (1967=100) U S city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n.a. Data not available.

Source: See tables 2 through 8

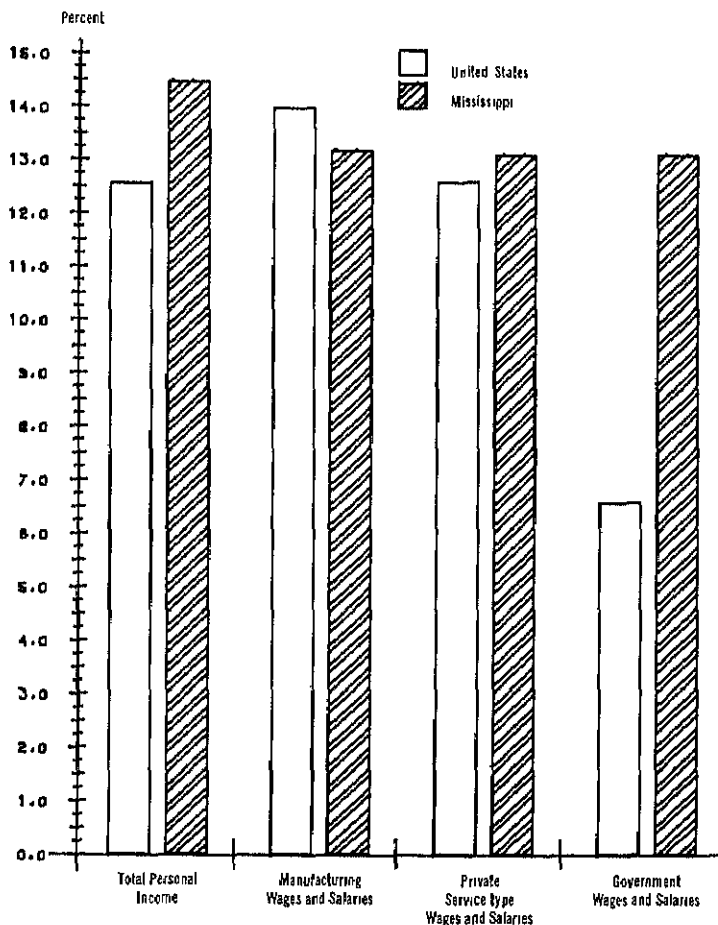
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Mississippi increased 14.5 percent from 1978:I to 1979:I versus 12.6 percent nationally (table 2). In 1979:I, the State's personal income totaled \$14.8 billion, up \$1.9 billion since 1978:I. Farm personal income increased 28.1 percent from year to year versus 25.1 percent nationally, and nonfarm personal income increased 13.7 percent versus 12.4 percent nationally.

Wage and salary disbursements (payrolls) increased 14.7 percent in Mississippi from year to year versus 12.8 percent nationally. In 1979:I, payrolls totaled \$8.9 billion in the State, up \$1.1 billion since 1978:I.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Government payrolls at the State and local level increased 15.2 percent in Mississippi, the largest increase among all States and two-and-one-half times the national increase. Federal Government payrolls increased 9.8 percent in the State versus 7.6 percent nationally.

Nondurable goods manufacturing payrolls increased 14.6 percent in the State, 4.7 percentage points more than nationally. In contrast, durable goods manufacturing payrolls increased 12.3 percent versus 16.2 percent nationally.

Among Mississippi's private service-type industries, finance-insurance-real estate payrolls increased 15.6 percent versus 13.3 percent nationally, and trade payrolls increased 14.6 percent versus 13.7 percent nationally. Services payrolls increased 11.8 percent in the State, about the same as nationally. In contrast, the 10.4-percent payroll increase in transportation-communication-public utilities lagged the Nation's increase by 1.1 percentage points.

Construction payrolls in Mississippi increased 32.7 percent from year to year, one of the largest increases among all States, compared with a national increase of 21.3 percent.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

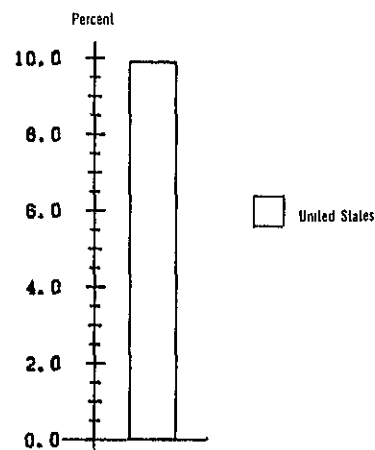


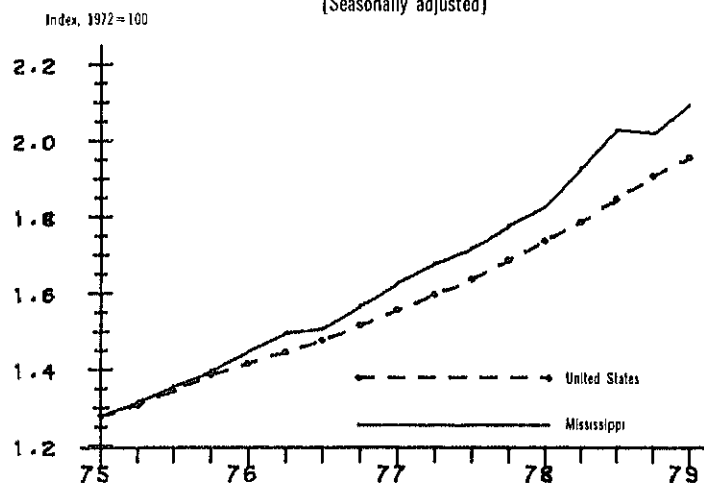
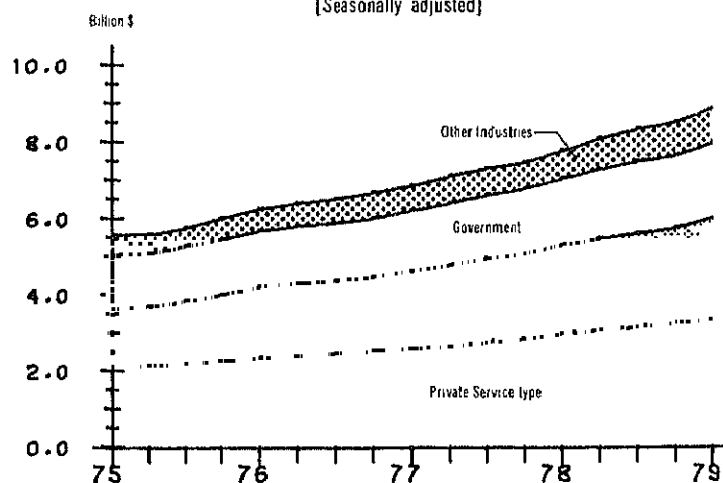
Chart 3.—Total Personal Income
(Seasonally adjusted)Chart 4.—Industrial Composition of Wages and Salaries
(Seasonally adjusted)

TABLE 2.—Personal Income, United States and Mississippi

	United States		Mississippi				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978:I	1978:IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ¹			
Total personal income	1,624,665	1,829,515	12,570	12,916	14,265	14,788	12.6	13.5	12.6	14.5
Farm personal income	32,083	40,141	707	673	809	865	26.3	14.5	25.1	28.7
Nonfarm personal income	1,592,582	1,789,374	11,863	12,243	13,456	13,923	12.3	13.4	12.4	13.7
Total personal income	1,624,665	1,829,515	12,570	12,916	14,265	14,788	12.6	13.5	12.6	14.5
Wage and salary disbursements	1,042,716	1,176,598	7,487	7,764	8,516	8,906	12.6	13.7	12.8	14.7
Other labor income	99,957	115,833	734	774	851	897	16.4	15.9	15.9	16.0
Proprietors' income	108,808	126,535	1,413	1,414	1,660	1,729	18.9	17.5	16.3	22.3
Farm	24,448	31,221	561	526	649	696	31.3	15.8	27.7	32.4
Nonfarm	84,360	95,314	852	888	1,011	1,033	15.3	18.6	13.0	16.3
Dividends, interest, and rent	221,191	250,595	1,291	1,331	1,449	1,500	12.8	12.3	13.3	12.7
Transfer payments	219,202	238,794	2,081	2,114	2,292	2,328	8.2	10.1	8.9	10.1
State unemployment insurance benefits	9,997	8,023	55	43	49	36	-30.3	-11.1	-19.7	-16.5
Less personal contributions	66,792	78,351	504	546	579	644	15.1	15.0	17.3	18.1
Plus residence adjustment	-417	-489	68	66	76	73	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	7,487	7,764	8,516	8,906	12.6	13.7	12.8	14.7
Farm	7,215	8,422	144	144	157	166	10.6	9.3	16.7	15.3
Nonfarm	1,035,501	1,168,176	7,343	7,620	8,358	8,740	12.6	13.8	12.8	14.7
Mining	12,013	19,166	105	107	145	153	33.9	37.8	59.5	42.7
Construction	56,564	68,593	417	447	534	594	20.1	28.3	21.3	32.7
Manufacturing	285,735	325,636	2,267	2,353	2,501	2,663	13.3	10.3	14.0	13.2
Durable goods	182,321	211,944	1,424	1,468	1,566	1,649	15.2	10.0	16.2	12.3
Nondurable goods	103,414	113,692	843	885	935	1,015	10.0	11.0	9.9	14.6
Private service type	473,132	532,823	2,844	2,968	3,242	3,357	13.1	14.0	12.6	13.1
Transportation, communication, and public utilities	79,598	88,755	486	521	548	575	11.3	12.9	11.5	10.4
Wholesale and retail trade	177,331	201,608	1,157	1,214	1,343	1,391	14.1	16.1	13.7	14.6
Finance, insurance, and real estate	55,930	63,373	306	314	352	363	13.2	15.1	13.3	15.6
Services	160,273	179,087	895	919	999	1,028	12.7	11.6	11.7	11.8
Government	204,558	218,008	1,687	1,718	1,909	1,943	6.9	13.1	6.6	13.1
Federal	68,698	73,916	651	664	714	729	7.1	9.7	7.6	9.8
State and local	135,860	144,092	1,036	1,054	1,195	1,214	6.8	15.3	6.1	15.2
Other	3,499	3,950	24	26	27	29	14.6	13.8	12.9	12.2

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Mississippi¹

	United States		Mississippi				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV	1978:I-- 1979:I		
Index, 1967 = 100, not seasonally adjusted							Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2 Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Mississippi's civilian labor force increased 4.0 percent versus 3.2 percent nationally (table 4). Total employment in the State increased 4.3 percent (to 906,000), compared with a 3.8-percent national increase.

With both the labor force and employment increasing by 37,000, the number of unemployed was unchanged, at 66,000. Mississippi's

unemployment rate declined slightly, to 6.8 percent of the labor force in 1979:I versus 6.3 percent nationally.

According to preliminary data for March 1979, the unemployment rate was 6.2 percent for the State as a whole and only 3.8 percent for Jackson, Mississippi's major metropolitan area. For the part of the State outside the Jackson area, the unemployment rate was 6.6 percent.

Chart 5—Labor Force, Employment, and Unemployment, 1979:I: Mississippi

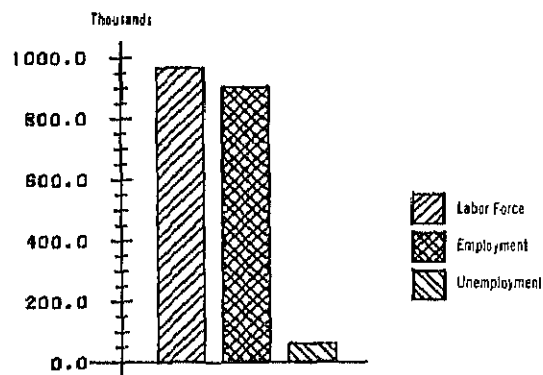


Chart 6.—Unemployment Rates, 1978:I—1979:I

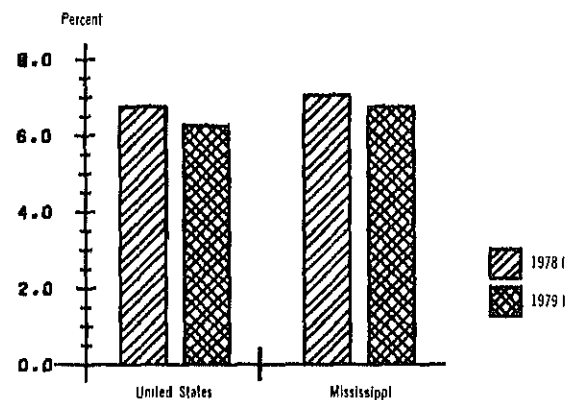


TABLE 4.—Labor Force, United States and Mississippi

	United States		Mississippi				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979:I	1977 IV— 1978 IV		1978 I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	790	782	833	827	4.2	5.5	2.9	5.7
Mining	730	896	8	8	9	9	14.4	12.7	22.7	9.8
Construction	3,784	3,973	42	39	48	47	11.2	14.4	5.0	20.7
Manufacturing	20,064	20,652	236	232	238	235	3.6	.6	2.9	9
Transportation, communication, and public utilities	4,779	4,943	37	37	39	39	4.4	4.5	3.4	4.6
Wholesale and retail trade	18,937	19,549	155	152	165	161	4.5	5.9	3.2	5.4
Finance, insurance, and real estate	4,601	4,790	30	30	32	32	5.2	6.0	4.1	5.6
Services	15,758	16,149	112	111	117	117	4.4	4.6	2.5	5.6
Government	15,435	15,648	169	172	187	188	1.4	10.3	1.4	9.3
Civilian labor force ³	98,106	101,260	978	935	975	972	3.1	—3	3.2	4.0
Total employed	91,401	94,901	909	869	911	906	3.9	.2	3.8	4.3
Total unemployed	6,705	6,360	68	66	64	66	—8.8	—6.2	—5.1	2
Percent unemployed	6.8	6.3	7.0	7.1	6.6	6.8	—	—	—	—

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

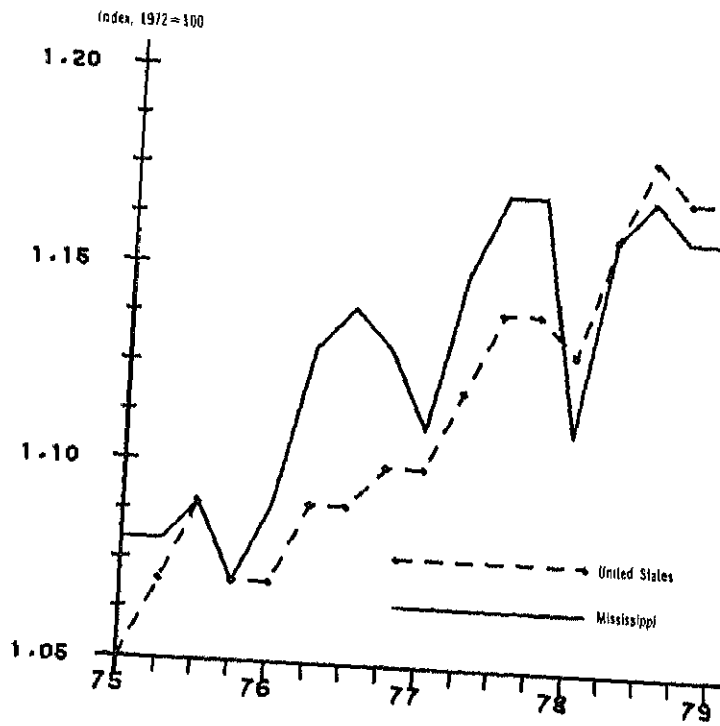


Chart 8.—Civilian Employment

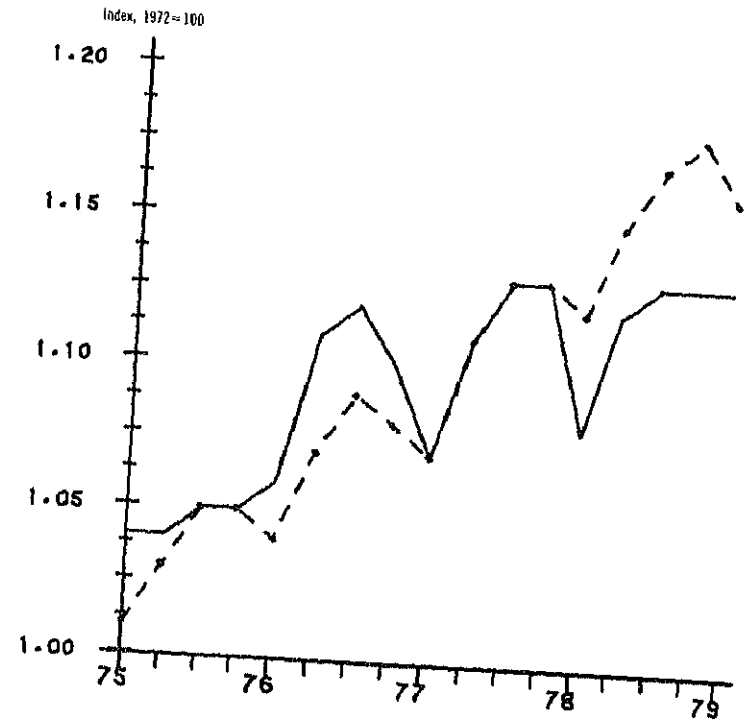


Chart 9.—Unemployment Rate

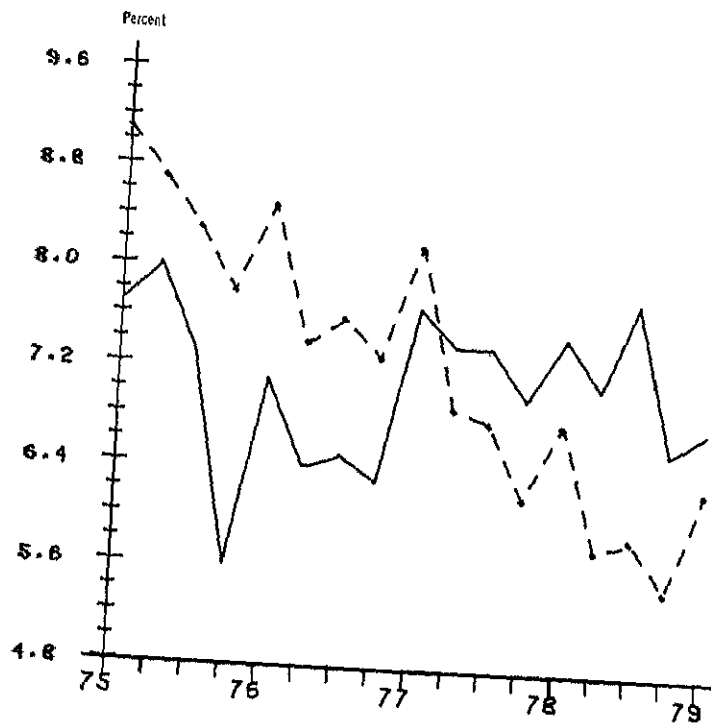
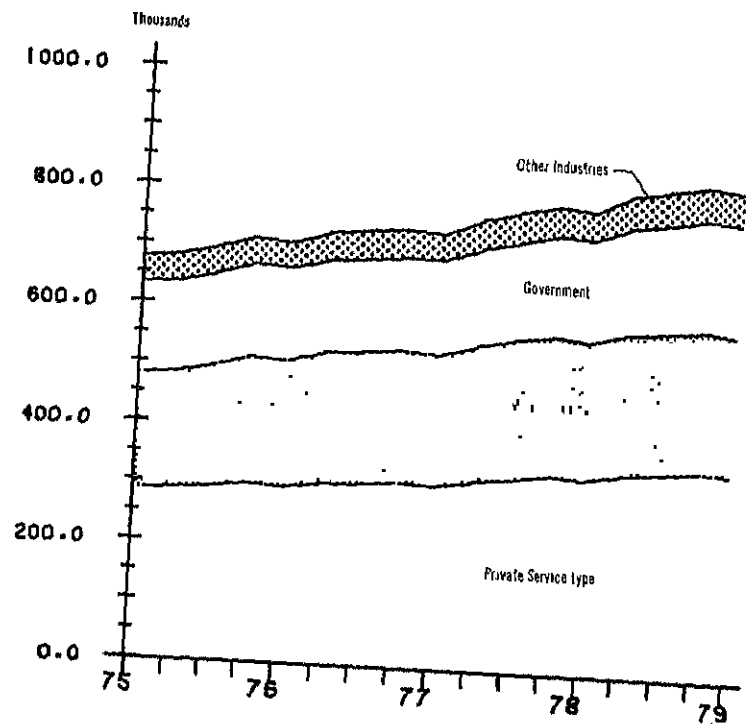


Chart 10.—Industrial Composition of Nonagricultural Employment: Mississippi



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Mississippi

	United States		Mississippi				U S	State	U S	State
	1978.I	1979.I	1977.IV	1978.I	1978.IV	1979.I	1977.IV-- 1978.IV		1978.I-- 1979.I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	4,487	4,596	5,348	n.a.	15.6	19.2	---	---
Commercial and industrial	202,241	n.a.	1,035	1,077	1,178	n.a.	13.3	13.8	---	---
Loans to individuals	143,356	n.a.	1,523	1,575	1,825	n.a.	18.7	19.8	---	---
Real estate	183,599	n.a.	1,406	1,458	1,785	n.a.	19.6	26.9	---	---
Residential	104,830	n.a.	549	577	781	n.a.	22.1	42.2	---	---
Farms	7,919	n.a.	226	220	218	n.a.	9.6	-3.6	---	---
Other	70,851	n.a.	631	661	786	n.a.	17.0	24.5	---	---
Farms, excluding real estate	25,440	n.a.	285	268	270	n.a.	9.5	-5.1	---	---
Other	64,581	n.a.	239	218	290	n.a.	7.9	21.5	---	---
Total deposits	911,772	n.a.	7,351	7,616	8,314	n.a.	9.3	13.1	---	---
Demand	344,245	n.a.	2,779	2,764	2,925	n.a.	5.6	5.2	---	---
Time and savings	567,527	n.a.	4,571	4,852	5,389	n.a.	11.9	17.9	---	---

1 Detail may not add to totals because of rounding.

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 19.2 percent (\$861 million) in Mississippi from 1977:IV to 1978:IV, one of the Nation's largest increases and 3.6 percentage points more than nationally (table 5). In 1978:IV, bank loans totaled \$5.3 billion in the State. Real estate loans increased 26.9 percent from year to year, the sixth largest increase among all States and 7.3 percentage points more than nationally. The State's 42.2-percent increase in residential real estate loans was the largest in the Nation,

while the 3.6-percent decline in farm real estate loans ranked 44th among all State changes. Farm loans, excluding those for real estate, declined 5.1 percent from year to year versus a 9.5-percent national increase.

Total deposits increased 13.1 percent (\$963 million) from 1977:IV to 1978:IV versus 9.3 percent nationally. Mississippi's increase was one of the Nation's largest. In 1978:IV, bank deposits totaled \$8.3 billion in the State. Time and savings deposits increased 17.9 percent versus 11.9 percent nationally. In contrast, demand deposits increased 5.2 percent from year to year, slightly less than nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 612.7 percent (\$2.3 billion), to \$2.6 billion (table 6). The national increase was 19.8 percent. In 1979:I, a \$2.15 billion contract for the construction of an electric generating plant in Tishomingo County raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. If this contract is excluded, the total valuation of contracts in Mississippi would have increased 28.9 percent from year to year. From 1978:I to 1979:I, national construction costs increased about 14 percent.

The valuation of Mississippi's nonbuilding contracts increased from \$127.0 million in 1978:I to \$2.2 billion in 1979:I, due to the electric generating plant contract. Nationally, nonbuilding contracts increased 23.7 percent in valuation. Street and highway contracts, a major component of nonbuilding contracts, increased 34.1 percent (\$12.6 million) in valuation in the State, compared with a national increase of 61.2 percent.

Nonresidential contracts increased 52.8 percent (\$30.4 million) in valuation versus 28.0 percent nationally.

The valuation of contracts for additions and alterations to residential housekeeping units increased 34.7 percent (\$21.0 million), compared with a 17.9-percent national increase. Mississippi's increase was the sixth largest among all States.

In contrast to most construction categories in the State, the valuation of contracts for new residential housekeeping units, which increased 6.3 percent (\$10.3 million) from year to year, lagged the Nation's increase by 5.5 percentage points. Furthermore, the number of dwelling units started in Mississippi declined 4.2 percent (234 units), to 5,399, compared with a national increase of 2.6 percent.

Chart 14.—Construction Contracts—Total Valuation

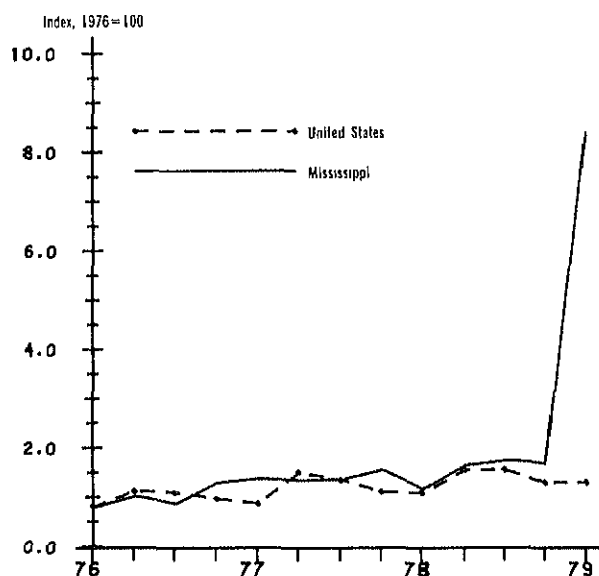


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Mississippi

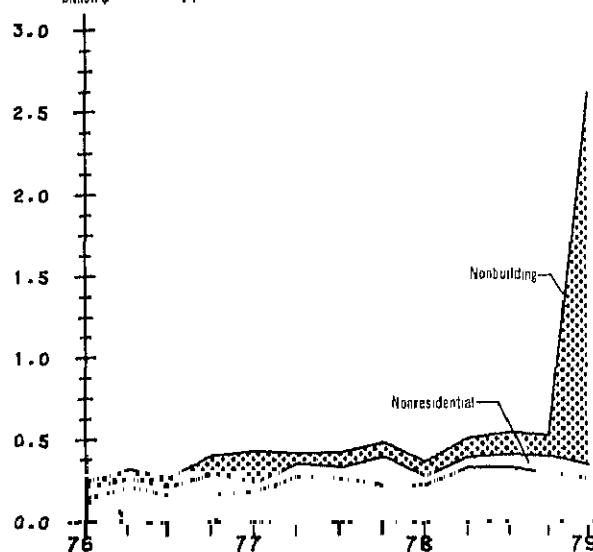


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

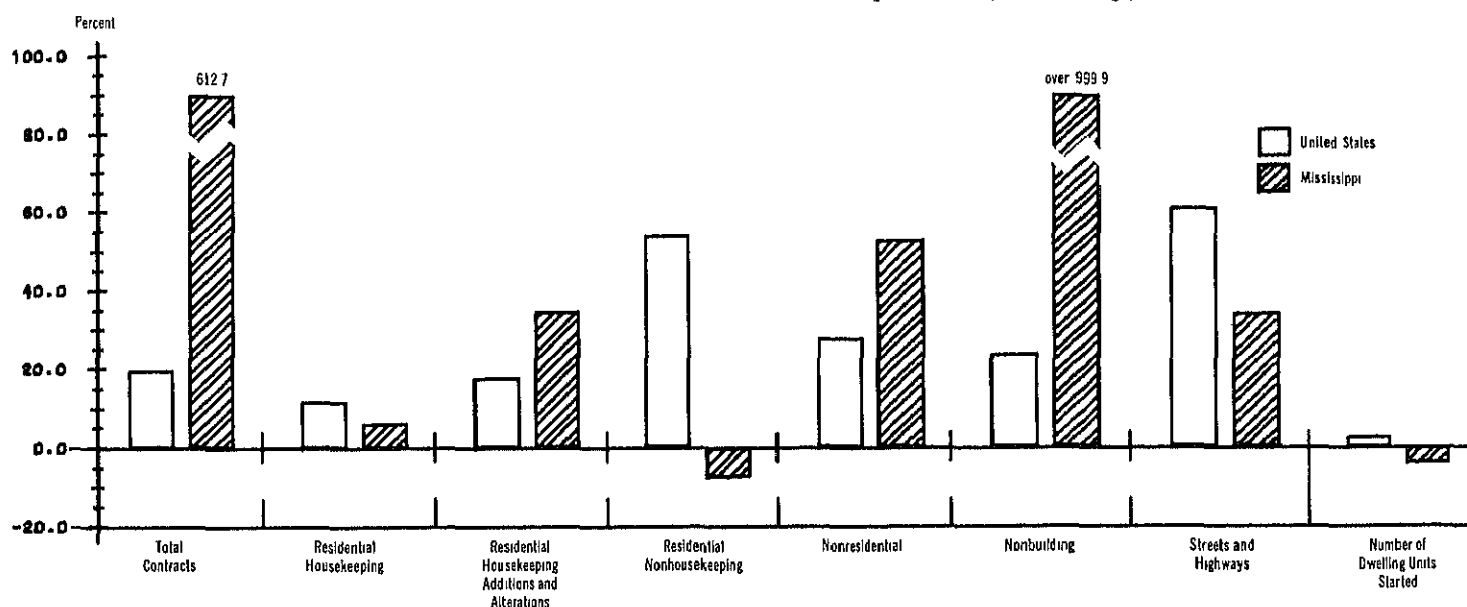


TABLE 6.—Construction Contracts, United States and Mississippi¹

	United States		Mississippi				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	485,992	368,266	528,341	2,624,585	16.8	8.7	19.8	612.7
Residential housekeeping additions and alterations Valuation (thousands of dollars)	5,904,299	6,962,771	71,049	60,637	97,067	81,671	14.6	36.6	17.9	34.7
All other contracts										
Number of contracts	53,028	53,454	683	593	675	684	-9.3	-1.2	8	15.3
Valuation (thousands of dollars)	32,202,931	38,675,376	414,943	307,629	431,274	2,542,914	17.3	3.9	20.1	726.6
Floor area (thousands of square feet)	807,538	904,811	10,278	9,779	12,056	10,185	10.3	17.3	12.0	4.2
Residential housekeeping										
Number of contracts	13,592	14,399	269	263	271	266	-4.3	7	5.9	1.1
Number of dwelling units	404,171	414,826	5,423	5,573	5,860	5,339	-2	8.1	2.6	-4.2
Valuation (thousands of dollars)	13,806,696	15,431,523	151,854	163,569	198,032	173,894	15.6	30.4	11.8	6.3
Floor area (thousands of square feet)	546,445	571,860	6,842	7,286	8,419	7,421	10.7	23.0	4.7	1.9
Residential nonhousekeeping										
Number of contracts	441	464	2	2	3	4	-4	50.0	5.2	100.0
Valuation (thousands of dollars)	327,201	504,158	290	1,063	1,946	984	54.9	571.0	54.1	-7.4
Floor area (thousands of square feet)	8,179	11,483	1	32	78	32	34.7	***	40.4	9
Nonresidential										
Number of contracts	25,282	23,514	251	178	194	206	-12.0	-22.7	-7.0	15.7
Valuation (thousands of dollars)	9,056,146	11,595,243	171,918	57,691	104,339	88,124	16.3	-39.3	28.0	52.8
Floor area (thousands of square feet)	252,915	321,468	3,436	2,461	3,559	2,732	8.7	3.6	27.1	11.0
Nonbuilding										
Number of contracts	13,713	15,077	161	150	207	208	-9.1	28.6	9.9	38.7
Valuation (thousands of dollars)	9,012,888	11,144,452	90,881	85,306	126,957	2,279,912	20.6	39.7	23.7	***
Streets and Highways										
Number of contracts	3,989	4,750	56	46	58	50	-17.8	3.6	19.1	8.7
Valuation (thousands of dollars)	1,399,453	2,255,221	56,480	37,043	24,795	49,675	-18.1	-56.1	61.2	34.1

***Percent change greater than 999.9

1. Contracts started or expected to start within 60 days

2. Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Mississippi are not available.

TABLE 7.—Retail Sales, United States and Mississippi

	United States		Mississippi				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Mississippi

	United States		Mississippi				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	930	976	889	n.a.	13.2	-4.4	---	---
Total number of business failures	1,729	n.a.	6	6	10	n.a.	-4.9	66.7	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	945	1,364	1,905	n.a.	13.7	101.6	---	---
Average liability per failure (thousands of dollars)	404	n.a.	158	227	191	n.a.	19.4	20.9	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	1	4	n.a.	6.0	---	---	---
Construction	279	n.a.	3	0	1	n.a.	-8.2	-66.7	---	---
Wholesale trade	205	n.a.	1	2	2	n.a.	-6.3	100.0	---	---
Retail trade	769	n.a.	0	3	2	n.a.	-4	---	---	---
Commercial services	205	n.a.	2	0	1	n.a.	-23.5	-50.0	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 11.2% vs. 12.6% in U.S., to \$37.9 billion
- Payrolls up 11.1% in private service-type industries vs. 12.6% in U.S.
- Payrolls up less than 1% in State and local government vs. 6.1% in U.S.

Consumer prices

- Up 10.0% in Kansas City and 11.0% in St. Louis vs. 9.9% in U.S.

Employment

- Up 3.0% vs. 3.8% in U.S., to 2.1 million

Unemployment

- Down 26,000, to 112,000
- Rate down to 4.9% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up 47.3% vs. 19.8% in U.S., to \$751.7 million
- Valuation of nonbuilding contracts up 160.1% vs. 23.7% in U.S.
- Number of dwelling-unit starts down 30.6% vs. 2.6% increase in U.S.

Retail sales

- Up 14.5% vs. 15.8% in U.S., to \$4.4 billion

TABLE 1.—Summary of Economic Indicators, United States and Missouri

	United States		Missouri				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	33,618	34,091	37,367	37,912	12.6	11.2	12.6	11.2
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	21,731	22,095	23,940	24,371	12.6	10.2	12.8	10.3
Civilian employment (thousands)	91,401	94,901	2,097	2,086	2,168	2,150	3.9	3.4	3.8	3.0
Unemployment (thousands)	6,705	6,360	120	138	101	112	-8.8	-15.4	-5.1	-18.9
Percent unemployed (unemployment/labor force)	6.8	6.3	5.4	6.2	4.5	4.9	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	12,869	13,204	15,036	n.a.	15.6	16.8	---	---
Total deposits (millions of dollars)	911,772	n.a.	21,286	20,344	23,084	n.a.	9.3	8.4	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	720,125	510,255	778,759	751,665	16.8	8.1	19.8	47.3
Dwelling units started (number)	404,171	414,826	7,980	6,332	7,627	4,395	-2	-4.4	2.6	-30.6
Total retail sales (millions of dollars)	167,940	194,529	4,494	3,834	5,109	4,389	11.2	13.7	15.8	14.5
New business incorporations (number)	115,247	n.a.	1,888	2,406	2,006	n.a.	13.2	6.3	---	---
Business failures (number)	1,729	n.a.	19	13	10	n.a.	-4.9	-47.4	---	---
Consumer Price Index (1967=100)										
U S city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Kansas City	---	---	182.7	185.6	198.1	204.2	---	8.4	---	10.0
St. Louis	---	---	180.5	184.0	197.6	204.2	---	9.5	---	11.0

n.a.: Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Missouri increased 11.2 percent from 1978:I to 1979:I, compared with 12.6 percent nationally (table 2). In 1979:I, the State's personal income totaled \$37.9 billion, up \$3.8 billion since 1978:I. The State's lag in total personal income growth was reflected in a 10.6-percent increase in nonfarm personal income, compared with a 12.4-percent national increase. Missouri's farm personal income increased 31.4 percent versus 25.1 percent nationally.

Consumer Price Indexes for the Kansas City and St. Louis metropolitan areas increased 10.0 percent and 11.0 percent, respectively, from 1978:I to 1979:I, compared with a 9.9-percent national city average increase

(table 3). If an average of the two price increases is used as an indicator for price movements in the State, real total personal income in Missouri increased only 0.7 percent versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 10.3 percent in the State versus 12.8 percent in the Nation. Missouri's percentage increase, ranking 45th in the Nation, brought payrolls to a total of \$24.4 billion in 1979:I, up \$2.3 billion since 1978:I. Payrolls in the private service-type industry group increased 11.1 percent in Missouri versus 12.6 percent in the Nation. The increase in each component of this group except transportation-communication-public utilities was significantly below the corresponding increase in the Nation. The lag was particularly pronounced in services payrolls—up 8.1 percent versus 11.7 percent nationally. Percentage increases in services, trade, and finance-insurance-real estate payrolls were among the 10 smallest in the Nation.

Similarly, government payroll increases in Missouri were among the smallest in the Nation; the lag was particularly pronounced in State and local government payrolls—up only 0.7 percent versus 6.1 percent nationally. Manufacturing payrolls increased 10.5 percent versus 14.0 percent nationally; only six States had smaller increases.

In contrast, transportation-communication-public utilities payrolls increased 16.1 percent in Missouri versus 11.5 percent in the Nation, and construction payrolls increased 22.9 percent versus 21.3 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

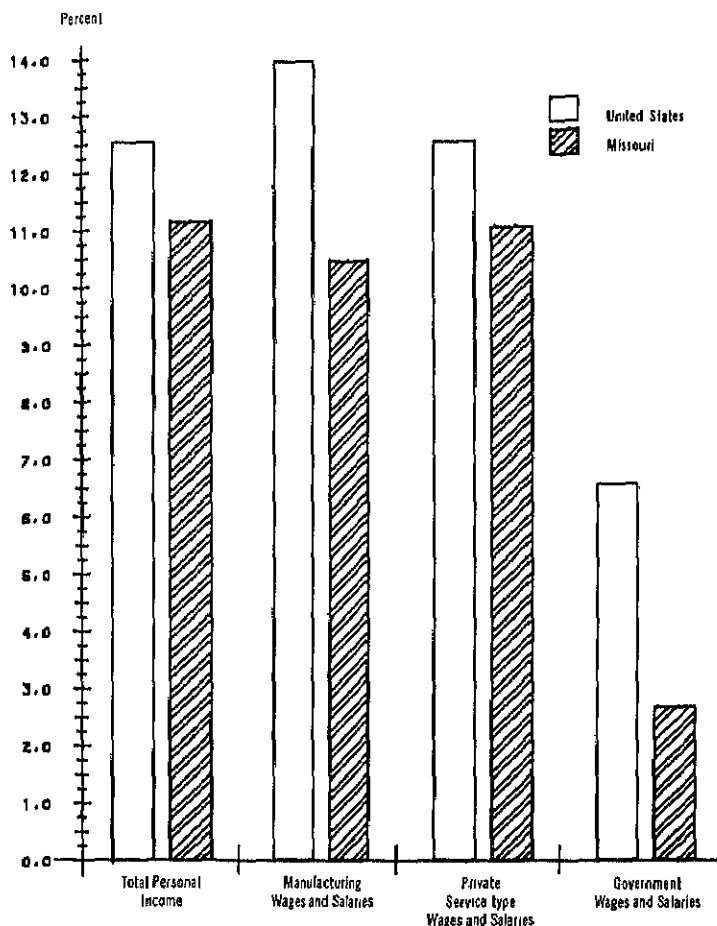


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

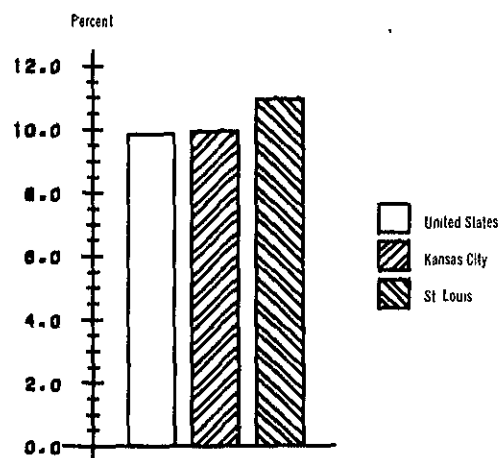


Chart 3.—Total Personal Income
[Seasonally adjusted]

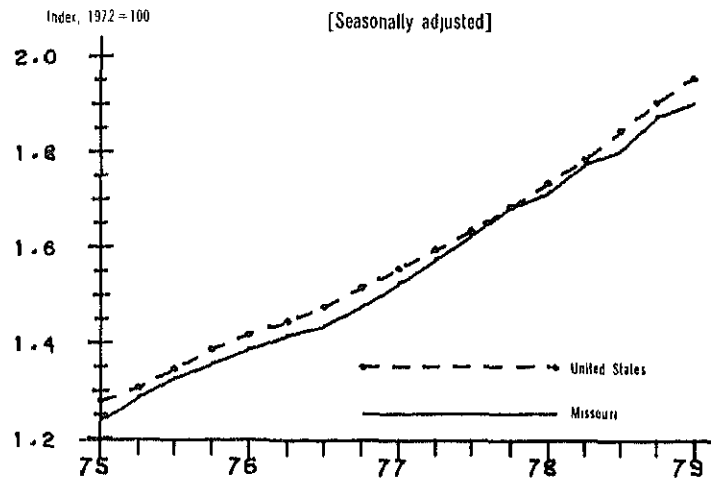


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

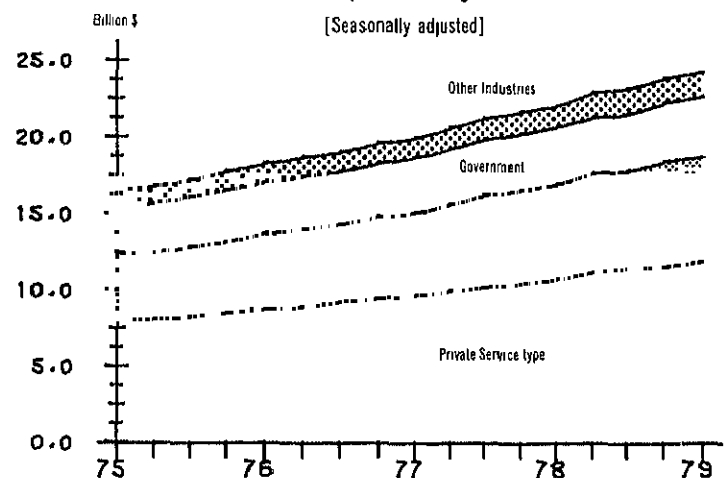


TABLE 2.—Personal Income, United States and Missouri

	United States		Missouri				U S	State	U S	State
	1978 I	1979 I	1977-IV	1978.I	1978 IV	1979 I	1977.IV— 1978 IV		1978 I— 1979 I	
Millions of dollars, seasonally adjusted at annual rates ^a							Percent change ^b			
Total personal income	1,624,665	1,829,515	33,618	34,091	37,367	37,912	12.6	11.2	12.6	11.2
Farm personal income	32,083	40,141	1,186	1,074	1,501	1,411	26.3	26.5	25.1	31.4
Nonfarm personal income	1,592,582	1,789,374	32,431	33,017	35,867	36,502	12.3	10.6	12.4	10.6
Total personal income	1,624,665	1,829,515	33,618	34,091	37,367	37,912	12.6	11.2	12.6	11.2
Wage and salary disbursements	1,042,716	1,176,598	21,731	22,095	23,940	24,371	12.6	10.2	12.8	10.3
Other labor income	99,957	115,833	2,128	2,186	2,431	2,469	16.4	14.3	15.9	13.0
Proprietors' income	108,808	126,535	3,014	2,928	3,594	3,494	18.9	19.2	16.3	19.3
Farm	24,448	31,221	1,112	999	1,420	1,326	31.3	27.8	27.7	32.7
Nonfarm	84,360	95,314	1,902	1,929	2,173	2,168	15.3	14.2	13.0	12.4
Dividends, interest, and rent	221,191	250,595	4,937	5,080	5,526	5,716	12.8	12.0	13.3	12.5
Transfer payments	219,202	238,794	4,595	4,674	4,974	5,071	8.2	8.2	8.9	8.5
State unemployment insurance benefits	9,997	8,023	179	166	115	113	-30.3	-35.9	-19.7	-32.2
Less: personal contributions	66,792	78,351	1,341	1,417	1,511	1,626	15.1	12.7	17.3	14.7
Plus: residence adjustment	-417	-489	-1,445	-1,456	-1,587	-1,584	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	21,731	22,095	23,940	24,371	12.6	10.2	12.8	10.3
Farm	7,215	8,422	72	72	77	81	10.6	7.3	16.7	13.2
Nonfarm	1,035,501	1,168,176	21,659	22,023	23,863	24,289	12.6	10.2	12.8	10.3
Mining	12,013	19,166	135	97	148	154	33.9	9.6	59.5	58.7
Construction	56,564	68,593	1,150	1,105	1,359	1,358	20.1	18.2	21.3	22.9
Manufacturing	285,735	325,636	6,085	6,241	6,898	6,896	13.3	13.4	14.0	10.5
Durable goods	182,321	211,944	3,779	3,885	4,413	4,330	15.2	16.8	16.2	11.4
Nondurable goods	103,414	113,692	2,306	2,356	2,485	2,567	10.0	7.8	9.9	8.9
Private service type	473,132	532,823	10,523	10,749	11,572	11,941	13.1	10.0	12.6	11.1
Transportation, communication, and public utilities	79,598	88,755	2,204	2,180	2,415	2,531	11.3	9.6	11.5	16.1
Wholesale and retail trade	177,331	201,608	4,054	4,173	4,517	4,649	14.1	11.4	13.7	13.4
Finance, insurance, and real estate	55,930	63,373	1,089	1,141	1,217	1,241	13.2	11.7	13.3	8.8
Services	160,273	179,087	3,176	3,256	3,424	3,520	12.7	7.8	11.7	8.1
Government	204,558	218,008	3,720	3,780	3,832	3,883	6.9	3.0	6.6	2.7
Federal	68,698	73,916	1,373	1,358	1,426	1,443	7.1	3.8	7.6	6.3
State and local	135,860	144,092	2,347	2,423	2,406	2,440	6.8	2.5	6.1	.7
Other	3,499	3,950	46	51	53	57	14.6	15.0	12.9	13.3

1 Detail may not add to totals because of rounding.

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Missouri¹

	United States		Missouri				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV		1978:I - 1979 I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Kansas City ..	---	---	182.7	185.6	198.1	204.2	---	8.4	---	10.0
St Louis ..	---	---	180.5	184.0	197.6	204.2	---	9.5	---	11.0

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available
2 Average for 85 representative urban areas based on the 1970 Census of Population
Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time

employment increased 3.0 percent, compared with 3.8 percent in the Nation.

With the labor force increasing 38,000 and total employment increasing 64,000, the number of unemployed declined 26,000, to 112,000. The State's unemployment rate declined 1.3 percentage points, to 4.9 percent

In March 1979, preliminary unemployment rates for the State's major metropolitan areas ranged from 3.3 percent in Springfield to 4.8 percent in St. Louis. From March 1978 to March 1979, all major metropolitan areas in the State registered unemployment-rate declines of about 1 percentage point.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Missouri

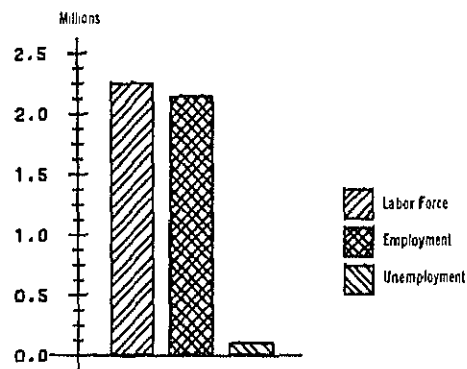


Chart 6.—Unemployment Rates, 1978:I—1979:I

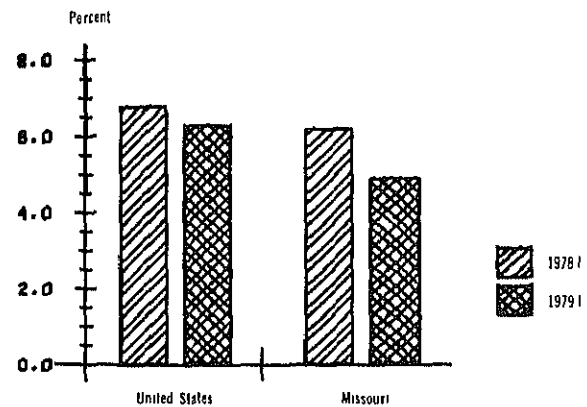


TABLE 4.—Labor Force, United States and Missouri

	United States		Missouri				U S	State	U S	State
	1978 I	1979.I	1977 IV	1978.I	1978.IV	1979-I	1977 IV— 1978.IV		1978 I— 1979-I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,908	1,878	1,956	1,921	4.2	2.5	2.9	2.3
Mining	730	896	9	6	8	8	14.4	-5.8	22.7	26.6
Construction	3,784	3,973	83	69	84	72	11.2	1.7	5.0	4.2
Manufacturing	20,064	20,652	449	446	459	456	3.6	2.3	2.9	2.4
Transportation, communication, and public utilities	4,779	4,943	133	132	137	137	4.4	2.9	3.4	3.3
Wholesale and retail trade	18,937	19,549	459	445	471	456	4.5	2.7	3.2	2.4
Finance, insurance, and real estate	4,601	4,790	99	100	103	102	5.2	3.4	4.1	2.1
Services	15,758	16,149	342	340	350	347	4.4	2.2	2.5	2.2
Government	15,435	15,648	334	340	344	343	1.4	3.0	1.4	1.1
Civilian labor force ³	98,106	101,260	2,217	2,224	2,270	2,261	3.1	2.4	3.2	1.7
Total employed	91,401	94,901	2,097	2,086	2,168	2,150	3.9	3.4	3.8	3.0
Total unemployed	6,705	6,360	120	138	101	112	-8.8	-15.4	-5.1	-18.9
Percent unemployed	6.8	6.3	5.4	6.2	4.5	4.9				

1 Detail may not add to totals because of rounding.

2 Based on unrounded data.

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

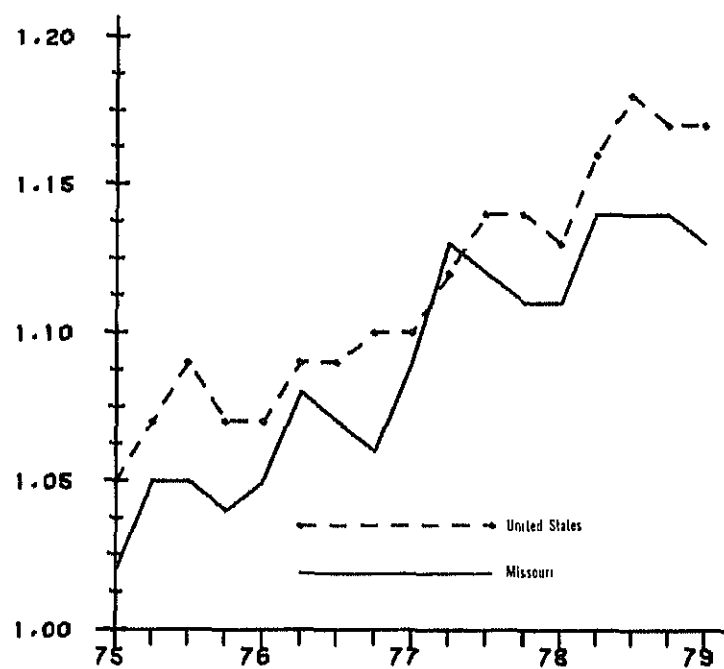


Chart 9.—Unemployment Rate

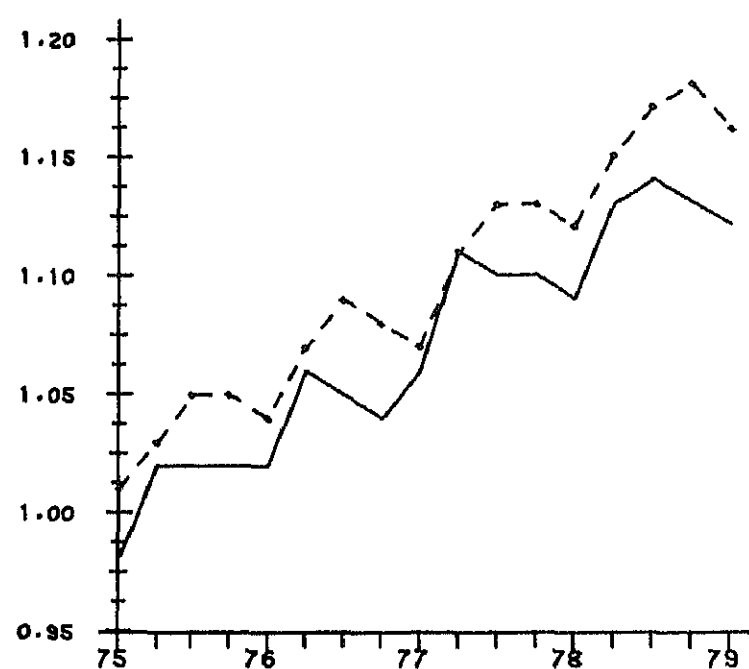
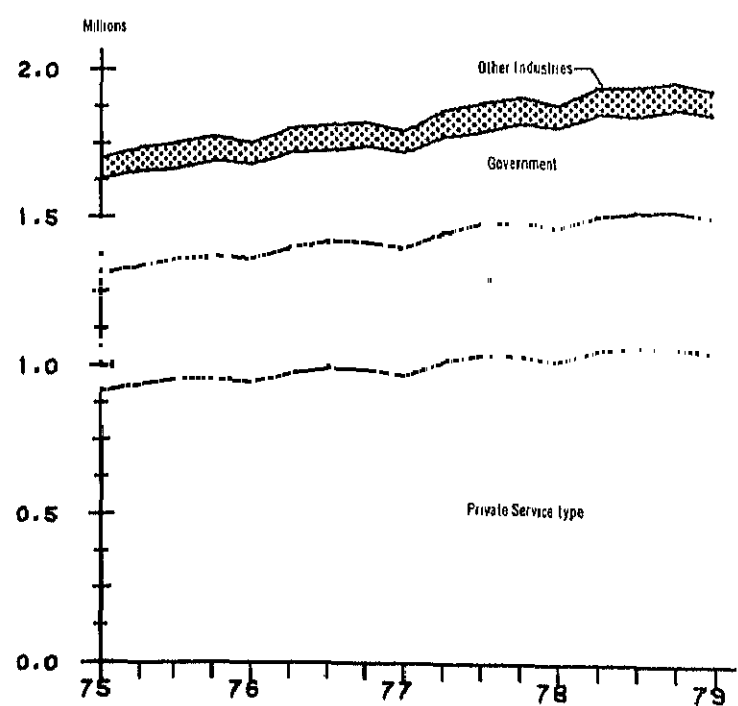
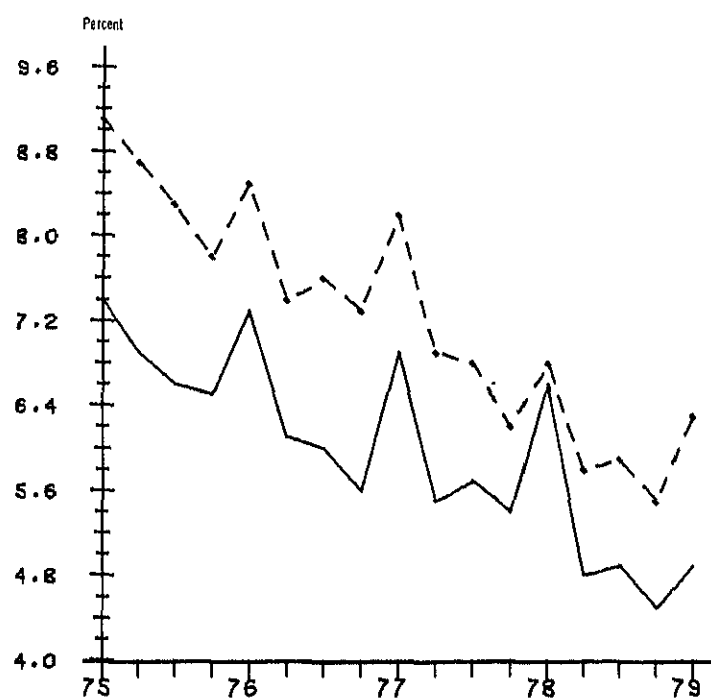


Chart 10.—Industrial Composition of Nonagricultural Employment: Missouri



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Missouri

	United States		Missouri				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978.I	1978·IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	12,869	13,204	15,036	n.a.	15.6	16.8	---	---
Commercial and industrial	202,241	n.a.	3,513	3,728	4,017	n.a	13.3	14.3	---	---
Loans to individuals	143,356	n.a.	3,238	3,283	3,754	n.a	18.7	16.0	---	---
Real estate	183,599	n.a.	4,082	4,230	5,024	n.a	19.6	23.1	---	---
Residential	104,830	n.a.	2,064	2,127	2,593	n.a	22.1	25.7	---	---
Farms	7,919	n.a.	461	475	522	n.a.	9.6	13.4	---	---
Other	70,851	n.a	1,558	1,628	1,909	n.a	17.0	22.5	---	---
Farms, excluding real estate	25,440	n.a	997	996	1,105	n.a	9.5	10.9	---	---
Other	64,581	n.a	1,040	966	1,137	n.a	7.9	9.3	---	---
Total deposits	911,772	n.a.	21,286	20,344	23,084	n.a.	9.3	8.4	---	---
Demand	344,245	n.a	9,273	7,777	9,669	n.a.	5.6	4.3	---	---
Time and savings	567,527	n.a.	12,013	12,567	13,415	n.a	11.9	11.7	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in Missouri increased 16.8 percent from 1977:IV to 1978:IV, compared with a 15.6-percent national increase (table 5). In 1978:IV, bank loans in the State totaled \$15.0 billion, up \$2.2 billion since 1977:IV. Increases in commercial and industrial loans (14.3 percent) and real estate loans (23.1 percent) were above corresponding national increases, while the increase in loans to individuals (16.0 percent) was

below that of the Nation. The increase in real estate loans in Missouri accounted for 43.5 percent of the year-to-year increase in total bank loans.

Total deposits increased 8.4 percent from 1977:IV to 1978:IV versus 9.3 percent nationally. In 1978:IV, bank deposits in the State totaled \$23.0 billion, up \$1.8 billion since 1977:IV. Demand deposits increased 4.3 percent versus 5.6 percent nationally, and time and savings deposits increased 11.7 percent versus 11.9 percent nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 47.3 percent (\$241.4 million), to \$751.7 million (table 6). Missouri's percentage increase was more than twice the Nation's (19.8 percent), and this relative strength was reflected in every major construction market except residential housekeeping.

Increases in nonbuilding and nonresidential contracts accounted for most of the increase in total valuation in the State. Nonbuilding contracts increased 160.1 percent in valuation (\$142 million), almost seven times the national 23.7-percent increase; Missouri's percentage increase was one of the largest in the Nation. The street and highway component of nonbuilding contracts increased 185.9 percent in valuation (\$77.6 million), three times the national rate of increase.

The valuation of nonresidential contracts increased 112.9 percent (\$109.9 million) versus 28.0 percent in the Nation. Part of this large increase was due to a \$40 million contract in 1979:I for the construction of an office building in St. Louis County.

In contrast, the valuation of residential housekeeping contracts declined 22.1 percent (\$43.5 million) versus an 11.8-percent national increase. Similarly, the number of dwelling units started declined 30.6 percent in the State (almost 2,000 units), compared with an increase of 2.6 percent in the Nation. Missouri's percentage declines in both the valuation of residential housekeeping contracts and the number of dwelling units started were the largest declines in the Nation.

Additions and alterations to residential housekeeping units increased 13.5 percent in valuation versus 17.9 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

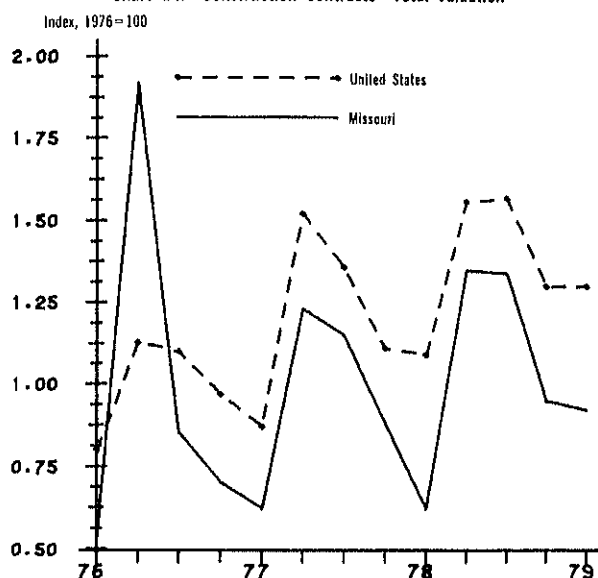


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Missouri

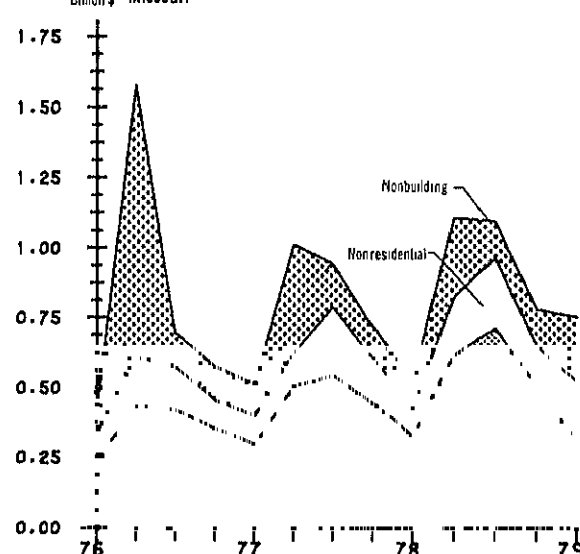


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

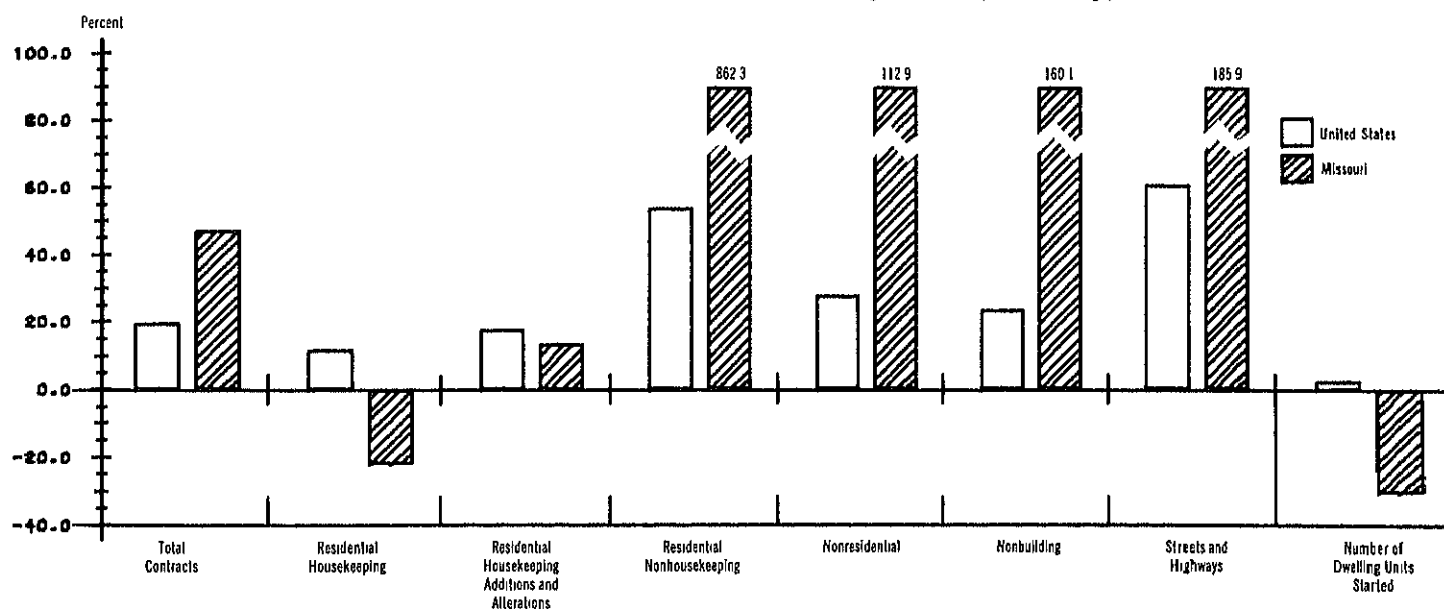


TABLE 6.—Construction Contracts, United States and Missouri¹

	United States		Missouri				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	720,125	510,255	778,759	751,665	16.8	8.1	19.8	47.3
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	192,900	124,978	201,852	141,860	14.6	4.6	17.9	13.5
All other contracts										
Number of contracts	53,028	53,454	1,271	1,073	1,172	1,236	-9.3	-7.8	8	15.2
Valuation (thousands of dollars)	32,202,931	38,675,376	527,225	385,277	576,907	609,805	17.3	9.4	20.1	58.3
Floor area (thousands of square feet)	807,538	904,811	14,115	9,899	14,197	11,433	10.3	6	12.0	15.5
Residential housekeeping										
Number of contracts	13,592	14,399	436	408	411	400	-4.3	-5.7	5.9	-2.0
Number of dwelling units	404,171	414,826	7,980	6,332	7,627	4,395	-2	-4.4	2.6	-39.6
Valuation (thousands of dollars)	13,806,696	15,431,523	249,102	197,384	296,465	153,858	15.6	19.0	11.8	-22.1
Floor area (thousands of square feet)	546,445	571,860	9,113	7,280	10,357	5,402	10.7	13.6	4.7	-25.8
Residential nonhousekeeping										
Number of contracts	441	464	8	2	13	11	-4	62.5	5.2	450.0
Valuation (thousands of dollars)	327,201	504,158	2,707	1,864	7,118	17,938	54.9	162.9	54.1	862.3
Floor area (thousands of square feet)	8,179	11,483	88	58	190	432	34.7	115.6	40.4	643.7
Nonresidential										
Number of contracts	25,282	23,514	481	395	428	392	-12.0	-11.0	-7.0	-8
Valuation (thousands of dollars)	9,056,146	11,595,243	162,007	97,308	143,907	207,214	16.3	-11.2	28.0	112.9
Floor area (thousands of square feet)	252,915	321,468	4,914	2,561	3,650	5,599	8.7	-25.7	27.1	118.6
Nonbuilding										
Number of contracts	13,713	15,077	346	268	320	433	-9.1	-7.5	9.9	61.6
Valuation (thousands of dollars)	9,012,888	11,144,452	113,409	88,721	129,417	230,795	20.6	14.1	23.7	160.1
Streets and Highways										
Number of contracts	3,989	4,750	161	106	93	181	-17.8	-42.2	19.1	70.8
Valuation (thousands of dollars)	1,399,453	2,255,221	53,669	41,725	41,304	119,279	-18.1	-23.0	61.2	185.9

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Missouri totaled \$4.4 billion in 1979:I, up 14.5 percent (\$555 million) since 1978:I; the U.S. increase was 15.8 percent (table 7). In 1979:I, durable goods accounted for about \$1.5 billion of the State total, and nondurable goods accounted for about \$2.9 billion.

TABLE 7.—Retail Sales, United States and Missouri

	United States		Missouri				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978:I	1978:IV	1979 I	1977:IV— 1978:IV		1978:I— 1979:I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	4,494	3,834	5,109	4,389	11.2	13.7	15.8	14.5
Durable goods	55,388	68,203	n.a.	n.a.	1,529	1,442	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	3,580	2,947	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Missouri

	United States		Missouri				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,888	2,406	2,006	n.a.	13.2	6.3	---	---
Total number of business failures	1,729	n.a.	19	13	10	n.a.	-4.9	-47.4	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	6,038	2,352	1,144	n.a.	13.7	-81.1	---	---
Average liability per failure (thousands of dollars)	404	n.a.	318	181	114	n.a.	19.4	-64.2	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	2	1	0	n.a.	6.0	---	---	---
Construction	279	n.a.	2	1	4	n.a.	-8.2	100.0	---	---
Wholesale trade	205	n.a.	3	3	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	7	8	6	n.a.	-4	-14.3	---	---
Commercial services	205	n.a.	5	0	2	n.a.	-23.5	-60.0	---	---

n.a. Data not available.

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 15.9% vs. 12.6% in U.S., to \$6.0 billion
- Farm personal income up 86.9% vs. 25.1% in U.S.
- Payrolls down in durables manufacturing and Federal Government vs. increases in both in U.S.

Employment

- Up 5.7% vs. 3.8% in U.S., to 337,000

Unemployment

- Down 3,000 to 23,000
- Rate down to 6.3% of labor force, same as U.S. rate

Construction

- Total valuation of contracts up 16.9% vs. 19.8% in U.S., to \$137.0 million
- Valuation of nonresidential contracts unchanged vs. 28.0% increase in U.S.
- Number of dwelling-unit starts down 11.7% vs. 2.6% increase in U.S.

TABLE 1.—Summary of Economic Indicators, United States and Montana

	United States		Montana				U.S.	State	U.S.	
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	
All indicators, except income, not seasonally adjusted							Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	4,955	5,137	6,071	5,956	12.6	22.5	12.6	15
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	2,876	2,994	3,247	3,344	12.6	12.9	12.8	11.1
Civilian employment (thousands)	91,401	94,901	322	319	345	337	3.9	7.2	3.8	5.7
Unemployment (thousands)	6,705	6,360	20	26	21	23	-8.8	2.8	-5.1	-12.9
Percent unemployed (unemployment/labor force)	6.8	6.3	5.8	7.6	5.6	6.3	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	2,462	2,520	2,821	n.a.	15.6	14.6	---	---
Total deposits (millions of dollars)	911,772	n.a.	3,600	3,538	3,955	n.a.	9.3	9.9	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	140,976	117,249	143,905	137,026	16.8	2.1	19.8	16.9
Dwelling units started (number)	404,171	414,826	1,839	1,692	1,802	1,494	-2	-2.0	2.6	-11.7
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	324	403	405	n.a.	13.2	25.0	---	---
Business failures (number)	1,729	n.a.	8	4	14	n.a.	-4.8	75.0	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n.a. Data not available

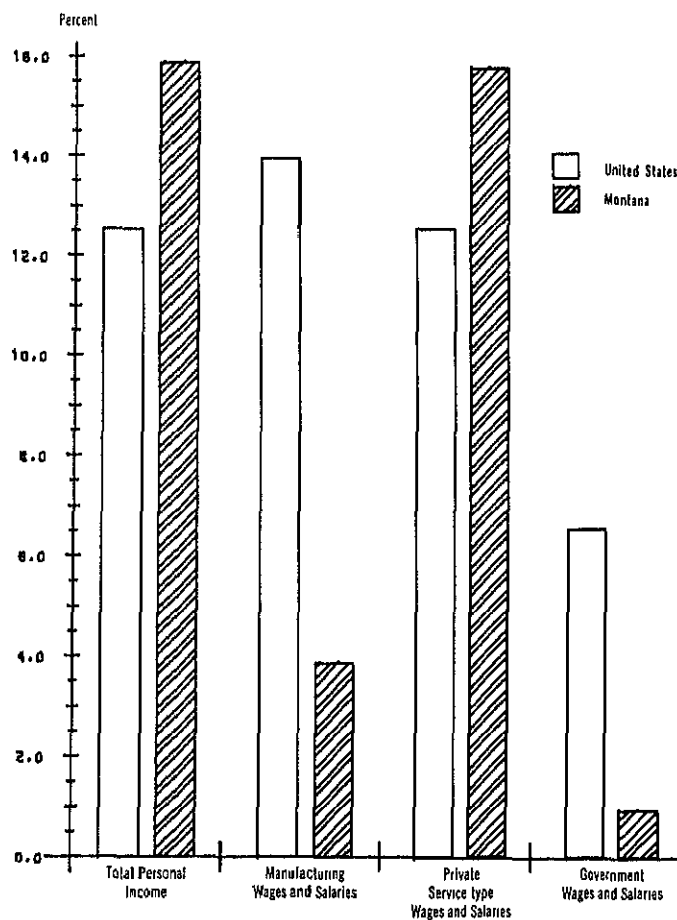
Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Montana increased 15.9 percent from 1978:I to 1979:I, compared with 12.6 percent nationally (table 2). The State's increase, the ninth largest in the Nation, brought personal income to a total of nearly \$6.0 billion, up \$819 million since 1978:I. Much of the State's relative strength was traceable to farming; farm personal income increased 86.9 percent, about three and one-half times more than nationally. This increase was particularly important, because farm income accounted for 9.8 percent of Montana's total income in 1979:I versus a weight of 2.2 percent in the Nation. Nonfarm personal income, in contrast, increased 11.3 percent in the State versus 12.4 percent in the Nation.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) in Montana increased 11.7 percent from year to year, compared with 12.8 percent nationally. The State's lag was mainly in durables manufacturing and government payrolls. In 1979:I, total payrolls in the State were \$3.3 billion, up \$350 million since 1978:I.

Durables manufacturing payrolls declined 4.0 percent in Montana versus a 16.2-percent increase in the Nation. Alaska was the only other State that registered a decline in durables manufacturing payrolls. In sharp contrast, nondurables manufacturing payrolls increased 23.6 percent, more than twice the national rate of increase and more than in any other State except Colorado.

Federal Government payrolls in Montana declined 6.9 percent versus a 7.6-percent national increase; Montana's decline was the largest in the Nation. State and local government payrolls increased only 2.1 percent, compared with 6.1 percent nationally.

In contrast, payrolls in the private service-type industry group increased 15.8 percent versus 12.6 percent nationally. Increases in each of the components were between 2 and 6 percentage points larger than corresponding national increases.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

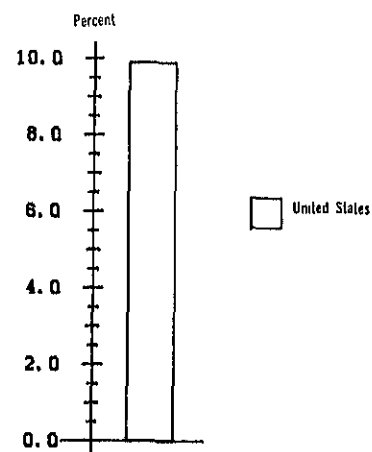


Chart 3.—Total Personal Income
[Seasonally adjusted]

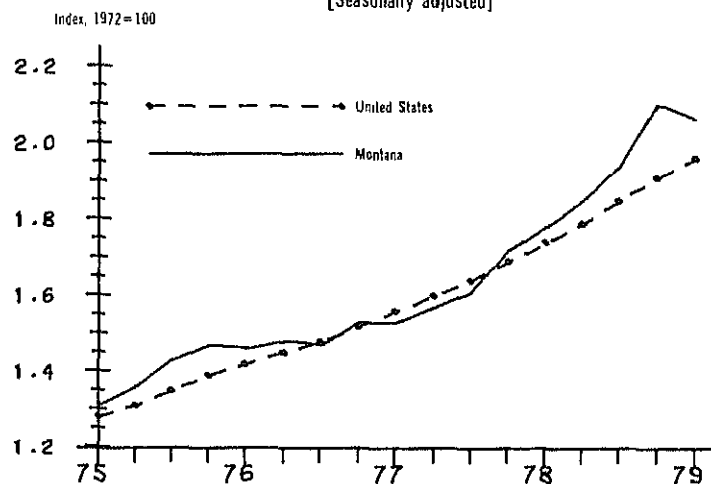


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

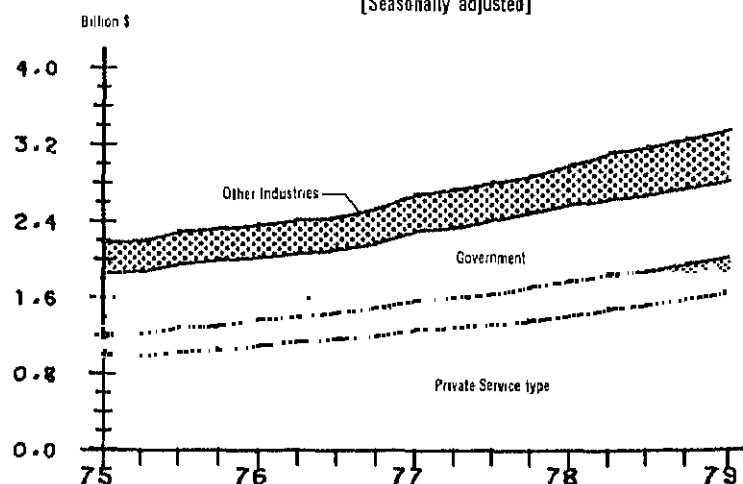


TABLE 2.—Personal Income, United States and Montana

	United States		Montana				U S	State	U S	State
	1978:I	1979 I	1977 IV	1978:I	1978 IV	1979:I	1977:IV— 1978 IV		1978:I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates¹						Percent change²			
Total personal income	1,624,665	1,829,515	4,955	5,137	6,071	5,956	12.6	22.5	12.6	15.9
Farm personal income	32,083	40,141	298	312	826	583	26.3	177.5	25.1	86.9
Nonfarm personal income	1,592,582	1,789,374	4,657	4,825	5,245	5,373	12.3	12.6	12.4	11.3
Total personal income	1,624,665	1,829,515	4,955	5,137	6,071	5,956	12.6	22.5	12.6	15.9
Wage and salary disbursements	1,042,716	1,176,598	2,876	2,994	3,247	3,344	12.6	12.9	12.8	11.7
Other labor income	99,957	115,833	248	260	294	303	16.4	18.7	15.9	16.9
Proprietors' income	108,808	126,535	581	614	1,168	926	18.9	101.0	16.3	50.8
Farm	24,448	31,221	234	248	758	510	31.3	223.3	27.7	105.5
Nonfarm	84,360	95,314	346	366	410	416	15.3	18.3	13.0	13.6
Dividends, interest, and rent	221,191	250,595	780	804	874	904	12.8	12.0	13.3	12.4
Transfer payments	219,202	238,794	686	697	743	755	8.2	8.3	8.9	8.2
State unemployment insurance benefits	9,997	8,023	35	33	27	24	-30.3	-23.3	-19.7	-26.1
Less personal contributions	66,792	78,351	209	227	247	271	15.1	18.2	17.3	19.4
Plus residence adjustment	-417	-489	-5	-6	-6	-6	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	2,876	2,994	3,247	3,344	12.6	12.9	12.8	11.7
Farm	7,215	8,422	62	62	67	71	10.6	8.2	16.7	14.1
Nonfarm	1,035,501	1,168,176	2,813	2,932	3,179	3,273	12.6	13.0	12.8	11.6
Mining	12,013	19,166	101	100	157	155	33.9	55.5	59.5	54.9
Construction	56,564	68,593	208	240	274	297	29.1	31.9	21.3	23.6
Manufacturing	285,735	325,636	355	368	366	382	13.3	2.9	14.0	3.1
Durable goods	182,321	211,944	241	262	240	252	15.2	-6	16.2	-4.1
Nondurable goods	103,414	113,692	114	105	126	130	10.0	10.2	9.9	23.0
Private service type	473,132	532,823	1,363	1,412	1,583	1,636	13.1	16.1	12.6	15.1
Transportation, communication, and public utilities	79,598	88,755	319	324	370	381	11.3	15.9	11.5	17.1
Wholesale and retail trade	177,331	201,608	540	568	636	661	14.1	17.8	13.7	16.3
Finance, insurance, and real estate	55,930	63,373	117	121	137	142	13.2	17.4	13.3	17.0
Services	160,273	179,087	387	398	440	452	12.7	13.7	11.7	13.5
Government	204,558	218,008	778	802	790	793	6.9	1.6	6.6	-1.2
Federal	68,698	73,916	282	294	276	274	7.1	-1.9	7.6	-6.9
State and local	135,860	144,092	496	508	514	519	6.8	3.7	6.1	2.1
Other	3,499	3,950	9	9	10	11	14.6	13.0	12.9	11.4

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Montana¹

	United States		Montana				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV	1978 I-- 1979:I		
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2. Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time

Labor Force

From 1978:I to 1979:I, Montana's civilian labor force increased 4.3 percent versus 3.2 percent nationally (table 4). Total employment increased 5.7 percent (to 337,000), nearly 2 percentage points more than nationally. Montana's percentage increase in employment was the sixth largest in the Nation.

With the labor force increasing 15,000 and employment increasing 18,000, the number of unemployed declined 3,000, to 23,000. The State's

unemployment rate declined 1.3 percentage points, to 6.3 percent of the labor force in 1979:I, the same as nationally

In March 1979, the preliminary unemployment rate for Montana was 5.4 percent, down 2.1 percentage points since March 1978. The March 1979 rate in Billings, a major metropolitan area in the State, was 4.0 percent, also down 2.1 percentage points, and the rate in Great Falls was 6.1 percent, down 1.3 percentage points.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Montana

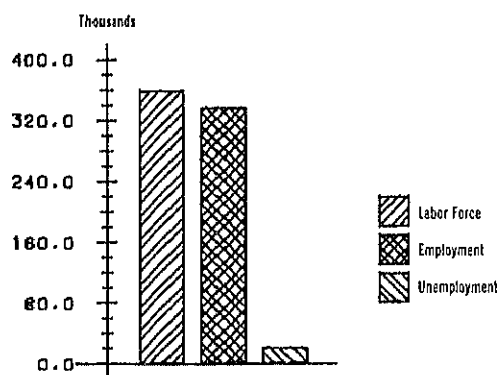


Chart 6.—Unemployment Rates, 1978:I—1979:I

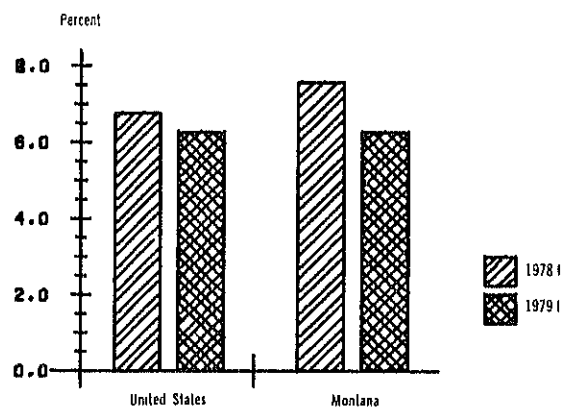


TABLE 4.—Labor Force, United States and Montana

	United States		Montana				U S	State	U S	State
	1978.I	1979.I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978.I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	270	262	281	273	4.2	4.0	2.9	4.2
Mining	730	896	6	6	8	7	14.4	19.0	22.7	21.3
Manufacturing	3,784	3,973	16	13	17	14	11.2	3.0	5.0	8.8
Transportation, communication, and public utilities	20,064	20,652	26	25	27	27	3.6	4.2	2.9	6.4
Wholesale and retail trade	4,779	4,943	21	20	23	22	4.4	9.2	3.4	6.9
Finance, insurance, and real estate	18,937	19,549	69	66	73	71	4.5	6.1	3.2	7.3
Services	4,601	4,790	11	12	13	13	5.2	9.6	4.1	7.8
Government	15,758	16,149	49	49	52	52	4.4	5.7	2.5	5.5
	15,435	15,648	72	72	70	69	1.4	-2.6	1.4	-3.8
Civilian labor force ³	98,106	101,260	342	345	366	360	3.1	6.9	3.2	4.3
Total employed	91,401	94,901	322	319	345	337	3.9	7.2	3.8	5.7
Total unemployed	6,705	6,360	20	26	21	23	-8.8	2.8	-5.1	-12.9
Percent unemployed	6.8	6.3	5.8	7.6	5.6	6.3	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

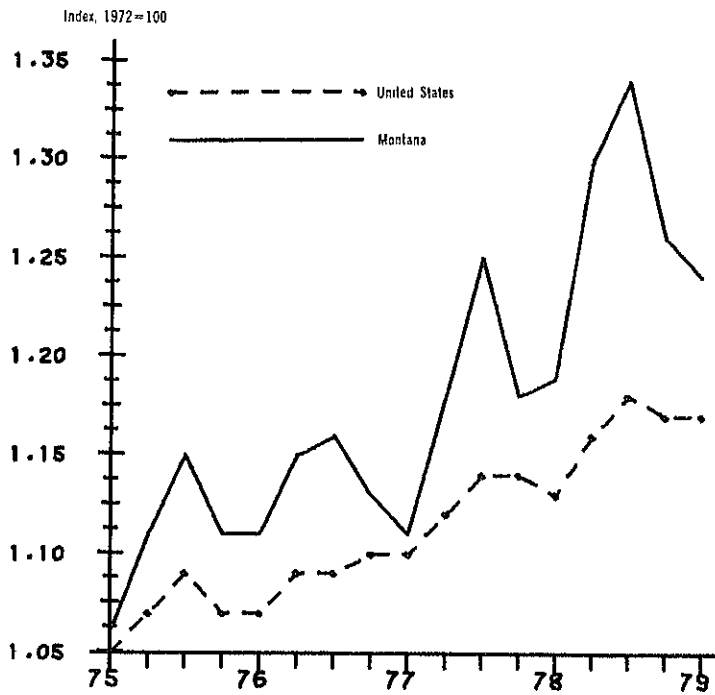


Chart 8.—Civilian Employment

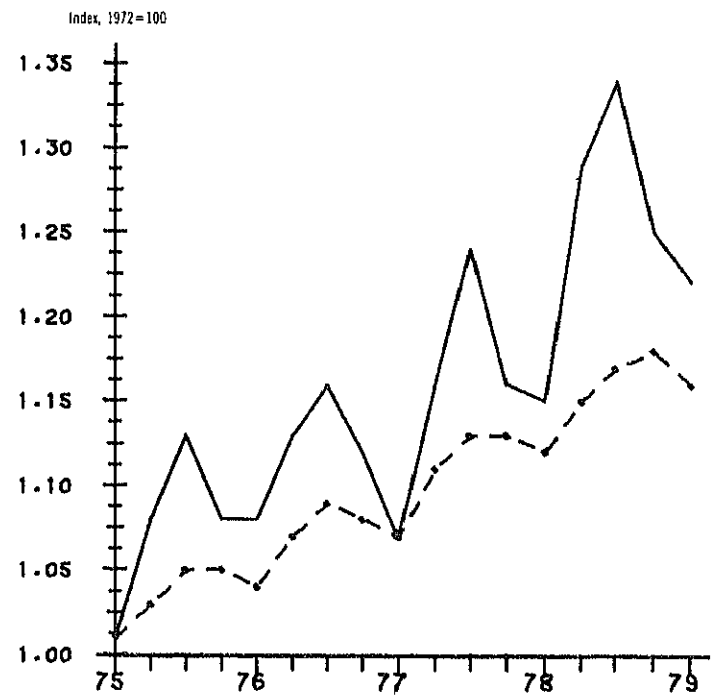


Chart 9.—Unemployment Rate

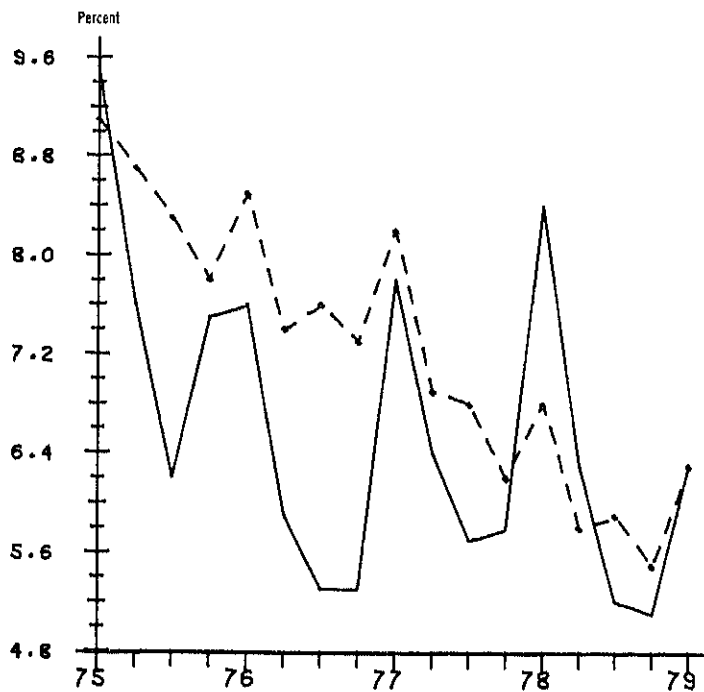
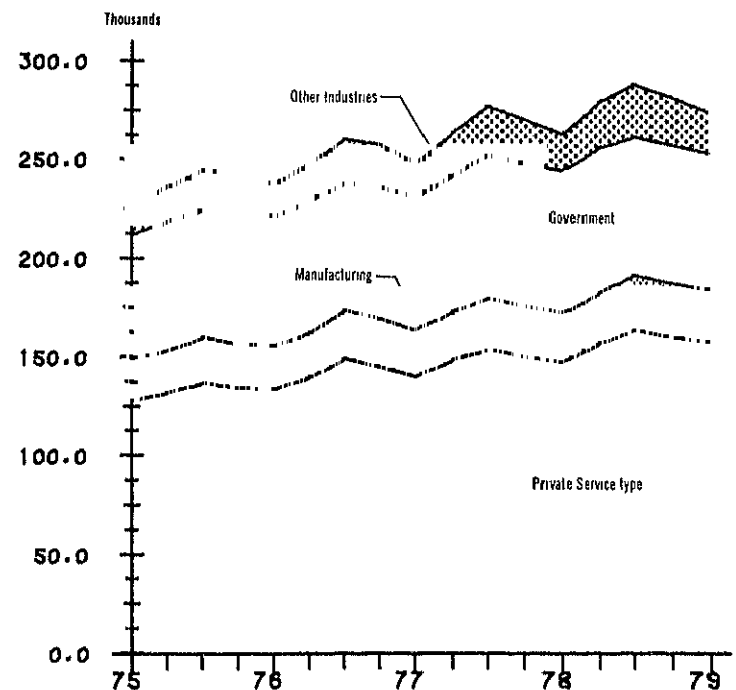


Chart 10.—Industrial Composition of Nonagricultural Employment: Montana



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Montana

	United States		Montana				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans . . .	619,218	n.a.	2,462	2,520	2,821	n.a.	15.6	14.6	---	---
Commercial and industrial	202,241	n.a.	596	639	708	n.a.	13.3	18.7	---	---
Loans to individuals . . .	143,356	n.a.	697	709	809	n.a.	18.7	16.1	---	---
Real estate . . .	183,599	n.a.	665	686	787	n.a.	19.6	18.4	---	---
Residential . . .	104,830	n.a.	441	449	514	n.a.	22.1	16.6	---	---
Farms . . .	7,919	n.a.	28	28	29	n.a.	9.6	2.2	---	---
Other . . .	70,851	n.a.	195	209	243	n.a.	17.0	24.7	---	---
Farms, excluding real estate . . .	25,440	n.a.	464	450	473	n.a.	9.5	1.9	---	---
Other . . .	64,581	n.a.	41	36	45	n.a.	7.9	9.3	---	---
Total deposits . . .	911,772	n.a.	3,600	3,538	3,955	n.a.	9.3	9.9	---	---
Demand . . .	344,245	n.a.	1,225	1,089	1,339	n.a.	5.6	9.3	---	---
Time and savings . . .	567,527	n.a.	2,375	2,448	2,616	n.a.	11.9	10.2	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in Montana increased 14.6 percent from 1977:IV to 1978:IV versus 15.6 percent nationally (table 5). In 1978:IV, bank loans in the State totaled \$2.8 billion, up \$359 million since 1977:IV. Loans to individuals increased 16.1 percent in the State versus 18.7 percent in the Nation, and real estate loans increased 18.4 percent in the State versus 19.6 percent in the Nation. Farm loans, excluding real estate, increased 1.9 percent in Montana, compared with 9.5 percent in the Nation. In

contrast, commercial and industrial loans increased 18.7 percent from year to year, about 5 percentage points more than nationally and the 11th largest increase among all States.

Total deposits in Montana increased 9.9 percent, 0.6 percentage point more than nationally. In 1978:IV, bank deposits in the State totaled almost \$4.0 billion, up \$355 million since 1977:IV. Demand deposits increased 9.3 percent, nearly 4 percentage points more than nationally and the 10th largest increase among all States. In contrast, time and savings deposits increased 10.2 percent in the State versus 11.9 percent in the Nation.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 16.9 percent (\$19.8 million) versus 19.8 percent nationally, to \$137.0 million (table 6).

National construction costs increased about 14 percent during the same timespan, and if this national increase is representative of cost changes in Montana, the real valuation of construction contracts increased about 3 percent in the State, or one-half of the Nation's real rate of increase.

Contributing substantially to the State's lag was the valuation of nonbuilding contracts, which declined 7.3 percent (\$2.3 million) versus an increase of 23.7 percent nationally. A \$14 million contract in 1978:I for the construction of a dam in Lincoln County raised the valuation of the State's nonbuilding contracts to an unusually high level, thereby distorting the subsequent year-to-year change. Without this project, nonbuilding contracts would have increased about 66 percent from year to year. The street and highway component of nonbuilding contracts increased 91.2 percent (\$9.4 million), compared with 61.2 percent nationally.

The valuation of nonresidential contracts was virtually unchanged from 1978:I to 1979:I, compared with a 28-percent increase nationally. Residential nonhousekeeping contracts increased 38.4 percent in valuation (\$436,000) versus 54.1 percent in the Nation.

Unlike the State's nonbuilding and nonresidential markets, the residential housekeeping market was stronger in Montana than in the Nation; the valuation of contracts increased 41.9 percent (\$18 million), almost four times the national increase and the ninth largest increase among all States. In sharp contrast, the number of dwelling units started declined 11.7 percent in the State (to 1,494 units) versus a 2.6-percent increase in the Nation.

Additions and alterations to residential housekeeping units increased 18.5 percent in valuation (\$3.6 million) in the State versus 17.9 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

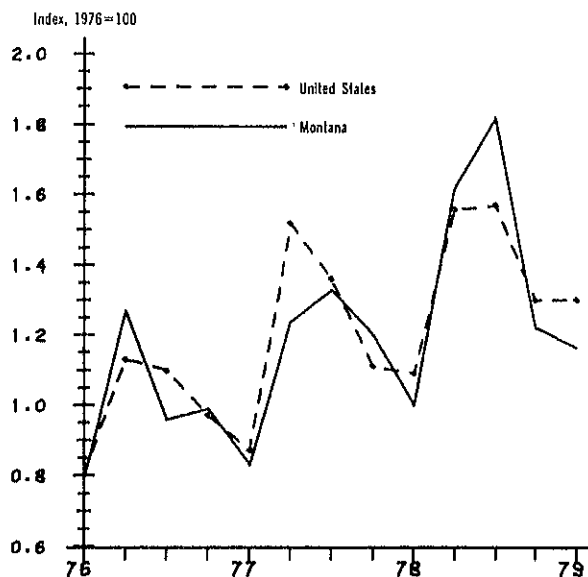


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Montana

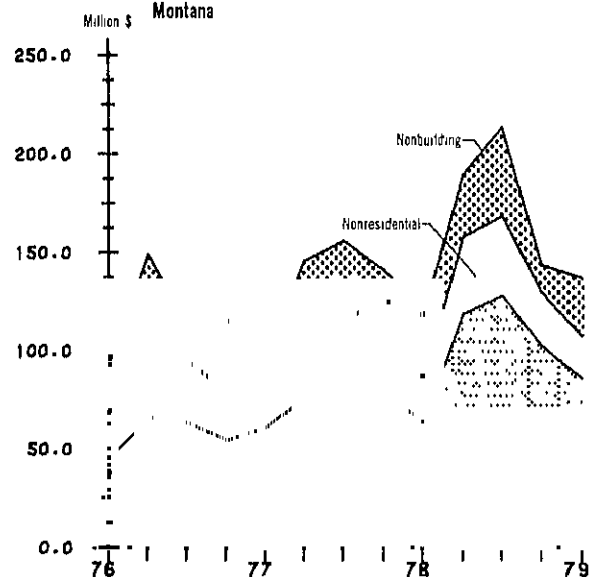


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

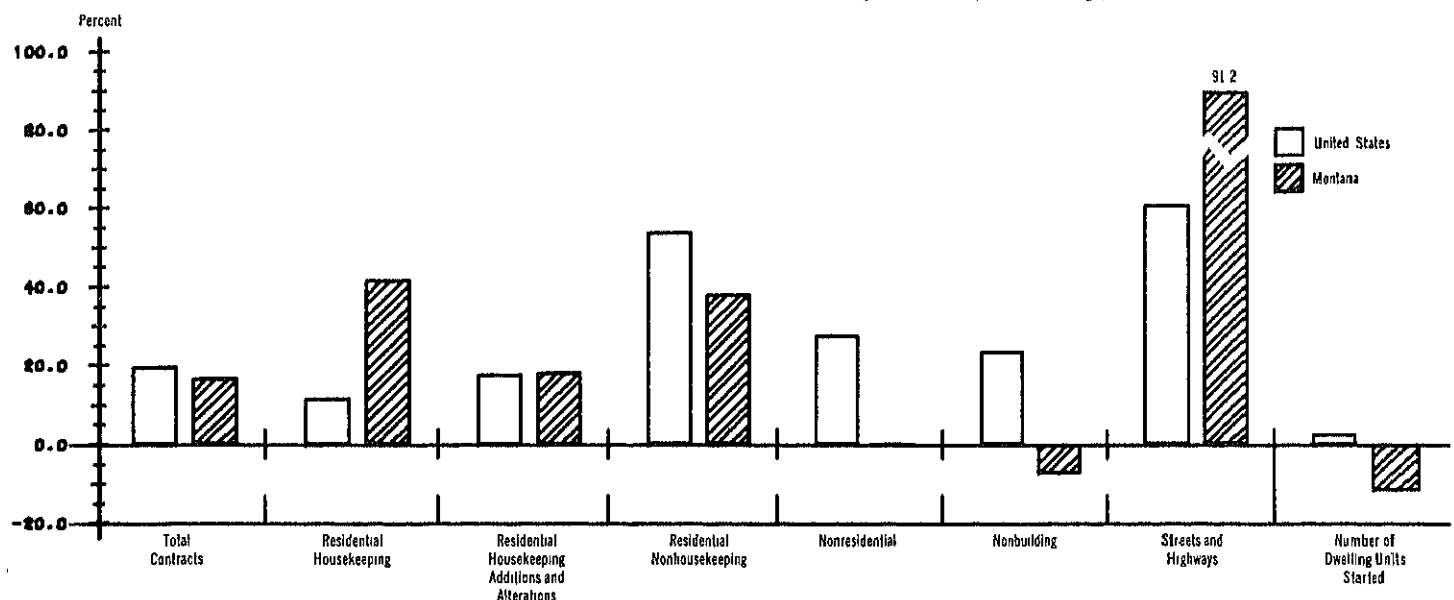


TABLE 6.—Construction Contracts, United States and Montana¹

	United States		Montana				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	140,976	117,249	143,905	137,026	16.8	2.1	19.8	16.9
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	25,435	19,462	30,399	23,059	14.6	19.5	17.9	18.5
All other contracts										
Number of contracts	53,028	53,454	311	283	288	261	-9.3	-7.4	.8	-7.8
Valuation (thousands of dollars)	32,202,931	38,675,376	115,541	97,787	113,506	113,967	17.3	-1.8	20.1	16.5
Floor area (thousands of square feet)	807,538	904,811	3,331	2,154	3,266	2,440	10.3	-1.9	12.0	13.2
Residential housekeeping										
Number of contracts	13,592	14,399	166	157	180	179	-4.3	8.4	5.9	14.0
Number of dwelling units	404,171	414,826	1,839	1,692	1,802	1,494	-.2	-2.0	2.6	-11.7
Valuation (thousands of dollars)	13,806,696	15,431,523	49,104	43,091	71,054	61,129	15.6	44.7	11.8	41.9
Floor area (thousands of square feet)	546,445	571,860	1,808	1,605	2,439	2,044	10.7	34.9	4.7	27.4
Residential nonhousekeeping										
Number of contracts	441	464	4	2	4	4	-4	0	5.2	100.0
Valuation (thousands of dollars)	327,201	504,158	4,841	1,134	1,530	1,570	54.9	-68.4	54.1	38.4
Floor area (thousands of square feet)	8,179	11,483	137	15	55	45	34.7	-60.2	40.4	200.0
Nonresidential										
Number of contracts	25,282	23,514	109	52	69	41	-12.0	-36.7	-7.0	-21.2
Valuation (thousands of dollars)	9,056,146	11,595,243	49,385	21,932	27,400	21,962	16.3	-44.5	28.0	1
Floor area (thousands of square feet)	252,915	321,468	1,385	535	773	351	8.7	-44.2	27.1	-34.4
Nonbuilding										
Number of contracts	13,713	15,077	32	72	35	37	-9.1	9.4	9.9	-48.6
Valuation (thousands of dollars)	9,012,888	11,144,452	12,211	31,630	13,522	29,306	20.6	10.7	23.7	-7.3
Streets and Highways										
Number of contracts	3,989	4,750	11	43	10	11	-17.8	-9.1	19.1	-74.4
Valuation (thousands of dollars)	1,399,453	2,255,221	5,456	10,248	3,343	19,598	-18.1	-38.7	61.2	91.2

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Montana are not available.

TABLE 7.—Retail Sales, United States and Montana

	United States		Montana				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977:IV-- 1978:IV		1978:I-- 1979:I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

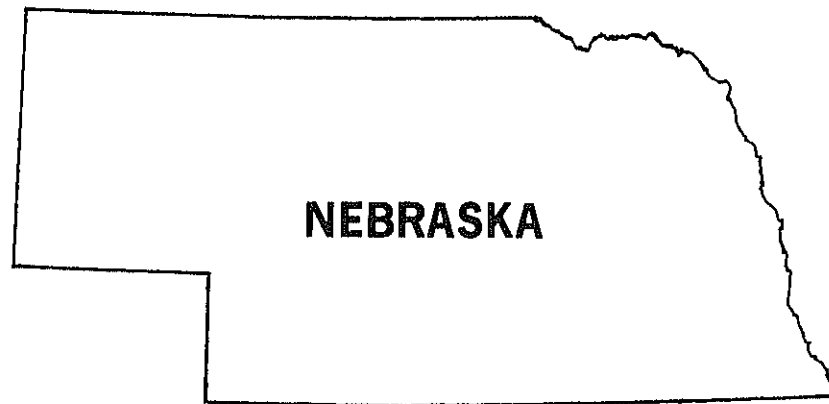
Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Montana

	United States		Montana				U.S.	State	U.S.	State
	1978 I	1979 I	1977.IV	1978 I	1978.IV	1979 I	1977.IV— 1978.IV		1978.I— 1979.I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	324	403	405	n.a.	13.2	25.0	---	---
Total number of business failures	1,729	n.a.	8	4	14	n.a.	-4.9	75.0	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	1,942	225	1,449	n.a.	13.7	-25.4	---	---
Average liability per failure (thousands of dollars)	404	n.a.	243	56	104	n.a.	19.4	-57.2	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	2	0	n.a.	6.0	---	---	---
Construction	279	n.a.	4	0	0	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	0	0	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	4	2	0	n.a.	-4	---	---	---
Commercial services	205	n.a.	0	0	0	n.a.	-23.5	---	---	---

n.a. Data not available
 Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

—Up 8.9% vs. 12.6% in U.S., to \$12.0 billion
 —Farm personal income down 26.5% vs. 25.1% increase in U.S.
 —Payrolls up 12.3% in private service-type industries vs. 12.6% in U.S.

Consumer prices

—Up 10.0% in Kansas City vs. 9.9% in U.S.

Employment

—Up 2.1% vs. 3.8% in U.S., to 725,000

Unemployment

—Down 9,000, to 23,000
 —Rate down to 3.0% of labor force, lowest in U.S.

Construction

—Total valuation of contracts up 25.9% vs. 19.8% in U.S., to \$272.1 million
 —Valuation of nonbuilding contracts up 63.7% vs. 23.7% in U.S.
 —Number of dwelling-unit starts up 29.1% vs. 2.6% in U.S., to 2,325

TABLE 1.—Summary of Economic Indicators, United States and Nebraska

	United States		Nebraska				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	11,026	11,048	12,203	12,027	12.6	10.7	12.6	8.9
Total wages and salaries (millions of dollars).....	1,042,716	1,176,598	6,268	6,415	6,990	7,196	12.6	11.5	12.8	12.2
Civilian employment (thousands)	91,401	94,901	725	710	747	725	3.9	3.1	3.8	2.1
Unemployment (thousands)	6,705	6,360	28	32	21	23	-8.8	-26.0	-5.1	-28.6
Percent unemployed (unemployment/labor force)	6.8	6.3	3.7	4.3	2.7	3.0	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	4,933	4,983	5,383	n.a.	15.6	9.1	---	---
Total deposits (millions of dollars)	911,772	n.a.	7,395	7,342	8,193	n.a.	9.3	10.8	---	---
Total valuation of construction contracts (thousands of dollars) ..	38,107,230	45,638,147	291,022	216,135	294,013	272,124	16.8	1.0	19.8	25.9
Dwelling units started (number)	404,171	414,826	3,107	1,801	3,192	2,325	-2	2.7	2.6	29.1
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number).....	115,247	n.a.	712	716	810	n.a.	13.2	13.8	---	---
Business failures (number)	1,729	n.a.	10	20	9	n.a.	-4.9	-10.0	---	---
Consumer Price Index (1967=100).										
U.S. city average.....	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Kansas City.....	---	---	182.7	185.6	198.1	204.2	---	8.4	---	10.0

n.a. Data not available

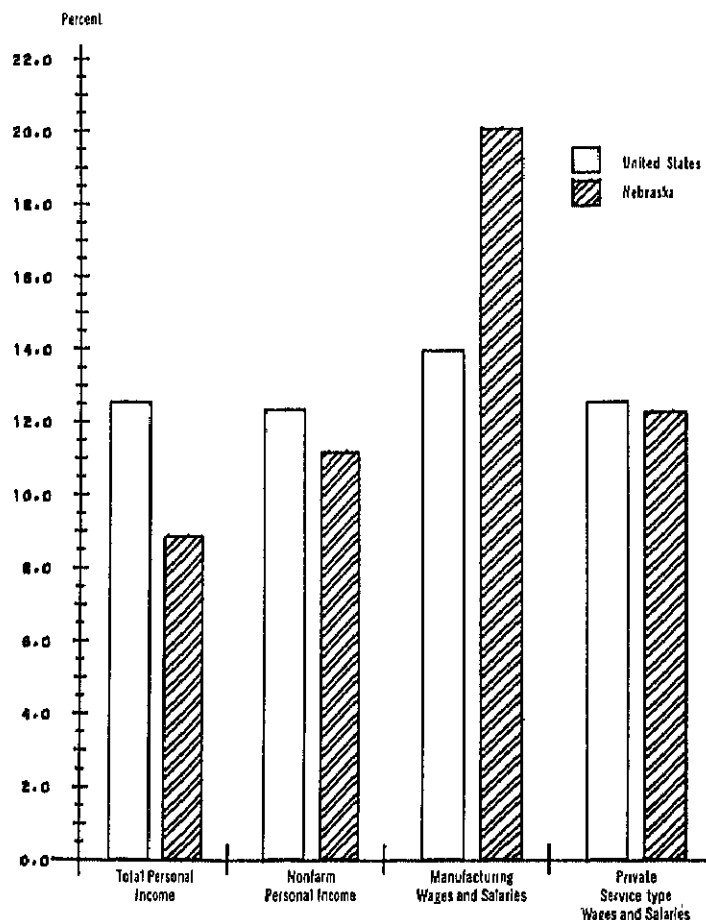
Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Nebraska increased 8.9 percent from 1978:I to 1979:I, 3.7 percentage points less than nationally (table 2). Nebraska's increase, the smallest in the Nation after Alaska's, North Dakota's, and the District of Columbia's, brought personal income to a total of \$12.0 billion, up almost \$1.0 billion since 1978:I. The State's lag in total personal income growth was reflected in a 26.5-percent decline in farm personal income versus a 25.1-percent national increase, and an 11.2-percent increase in nonfarm personal income, compared with a 12.4-percent national increase. Nebraska's decline in farm income, the largest in the Nation, was particularly important, because farm income accounted for 4.2 percent of the State's total income in 1979:I, compared with a 2.2-percent weight nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



The Consumer Price Index for the Kansas City metropolitan area increased 10.0 percent from 1978:I to 1979:I, 0.1 percentage point more than the national city average increase (table 3). If the increase in Kansas City is used as an indicator for price increases in Nebraska, total personal income in the State sustained a real decline of 1.1 percent, compared with a 2.7-percent real increase nationally.

Wage and salary disbursements (payrolls) in Nebraska increased 12.2 percent from year to year versus 12.8 percent nationally. In 1979:I, payrolls in the State totaled \$7.2 billion, up \$781 million since 1978:I.

Mining and construction payrolls in the State increased at rates that were about one-half of the corresponding national rates. Trade and services payrolls increased 12.5 percent and 9.4 percent, respectively, compared with national rates of 13.7 percent and 11.7 percent, respectively. Payroll increases in both Federal Government and State and local government also were well below those in the Nation.

In contrast, manufacturing payrolls in Nebraska increased 20.1 percent versus 14.0 percent nationally; Nebraska's increase ranked fifth among all State increases. Strength was particularly pronounced in durables manufacturing—up 25.3 percent versus 16.2 percent nationally.

Payroll increases in transportation-communication-public utilities and finance-insurance-real estate in Nebraska were about 2.0 percentage points larger than those of national counterparts.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

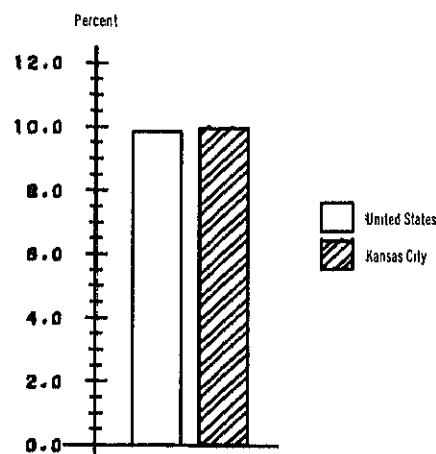


Chart 3.—Total Personal Income
[Seasonally adjusted]

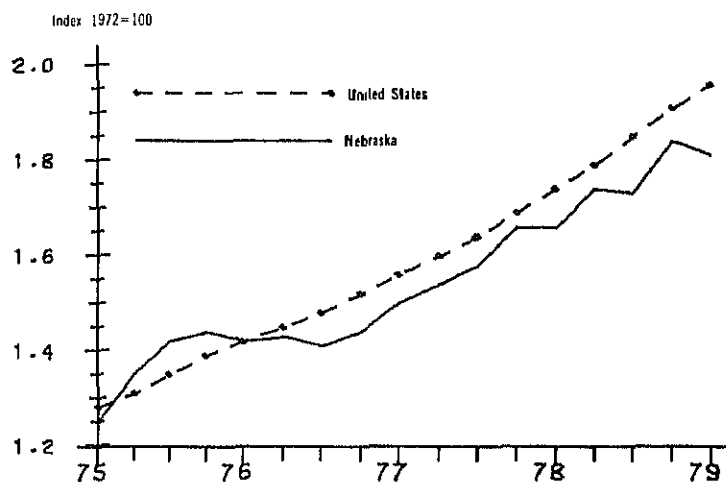


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

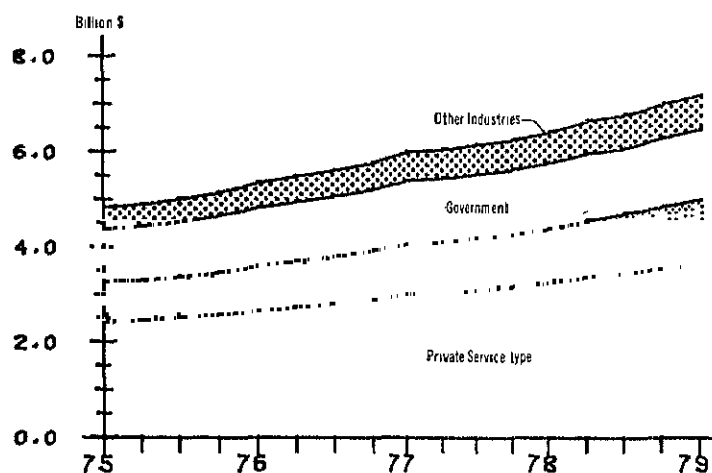


TABLE 2.—Personal Income, United States and Nebraska

	United States		Nebraska				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV-- 1978:IV		1978 I-- 1979:I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	11,026	11,048	12,203	12,027	12.6	10.7	12.6	8.9
Farm personal income	32,083	40,141	903	689	943	506	26.3	4.3	25.1	-26.5
Nonfarm personal income	1,592,582	1,789,374	10,123	10,359	11,260	11,521	12.3	11.2	12.4	11.2
Total personal income	1,624,665	1,829,515	11,026	11,048	12,203	12,027	12.6	10.7	12.6	8.9
Wage and salary disbursements	1,042,716	1,176,598	6,268	6,415	6,990	7,196	12.6	11.5	12.8	12.2
Other labor income	99,957	115,833	563	585	654	676	16.4	16.1	15.9	15.6
Proprietors' income	108,808	126,535	1,520	1,325	1,649	1,200	18.9	8.5	16.3	-9.4
Farm	24,448	31,221	737	521	756	308	31.3	2.6	27.7	-40.9
Nonfarm	84,360	95,314	784	804	893	892	15.3	14.0	13.0	11.0
Dividends, interest, and rent	221,191	250,595	1,929	1,984	2,134	2,202	12.8	10.6	13.3	11.0
Transfer payments	219,202	238,794	1,316	1,340	1,425	1,452	8.2	8.3	8.9	8.3
State unemployment insurance benefits	9,997	8,023	39	38	24	23	-30.3	-38.5	-19.7	-39.9
Less personal contributions	66,792	78,351	442	470	505	551	15.1	14.4	17.3	17.2
Plus residence adjustment	-417	-489	-128	-129	-144	-147	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	6,268	6,415	6,990	7,196	12.6	11.5	12.8	12.2
Farm	7,215	8,422	162	163	182	193	10.6	12.0	16.7	18.1
Nonfarm	1,035,501	1,168,176	6,105	6,251	6,809	7,003	12.6	11.5	12.8	12.0
Mining	12,013	19,166	21	21	23	27	33.9	11.3	59.5	27.4
Construction	56,564	68,593	423	426	476	477	20.1	12.4	21.3	12.0
Manufacturing	285,735	325,636	1,109	1,135	1,303	1,363	13.3	17.5	14.0	20.1
Durable goods	182,321	211,944	591	600	718	752	15.2	21.5	16.2	25.3
Nondurable goods	103,414	113,692	518	535	585	612	10.0	12.9	9.9	14.3
Private service type	473,132	532,823	3,175	3,258	3,562	3,659	13.1	12.2	12.6	12.3
Transportation, communication, and public utilities	79,598	88,755	667	693	757	787	11.3	13.6	11.5	13.6
Wholesale and retail trade	177,331	201,608	1,261	1,277	1,405	1,436	14.1	11.5	13.7	12.5
Finance, insurance, and real estate	55,930	63,373	412	417	467	481	13.2	13.5	13.3	15.4
Services	160,273	179,087	836	872	932	954	12.7	11.5	11.7	9.4
Government	204,558	218,008	1,361	1,393	1,426	1,457	6.9	4.8	6.6	4.6
Federal	68,698	73,916	436	450	472	478	7.1	8.2	7.6	6.2
State and local	135,860	144,092	925	943	954	979	6.8	3.2	6.1	3.8
Other	3,499	3,950	16	18	18	20	14.6	12.4	12.9	10.7

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Nebraska¹

	United States		Nebraska				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Kansas City	---	---	182.7	185.6	198.1	204.2	---	8.4	---	10.0

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2 Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Nebraska's civilian labor force increased only 0.8 percent versus 3.2 percent nationally (table 4). The State's increase was the third smallest in the Nation, after Hawaii's and Illinois'. Total employment increased 2.1 percent versus 3.8 percent nationally, to 725,000.

With the labor force increasing 6,000 and employment increasing 15,000, the number of unemployed declined 9,000, to 23,000. The unemployment rate in Nebraska declined 1.3 percentage points, to 3.0 percent of the labor force in 1979:I, compared with 6.3 percent nationally. Nebraska's unemployment rate in 1979:I was the lowest in the Nation.

Preliminary data for March 1979 indicate a statewide unemployment rate of 2.7 percent and rates in Lincoln and Omaha, the State's two major metropolitan areas, of 2.0 percent and 3.6 percent, respectively. All three rates were more than 1 percentage point less than March 1978 rates.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Nebraska



Chart 6.—Unemployment Rates, 1978:I—1979:I

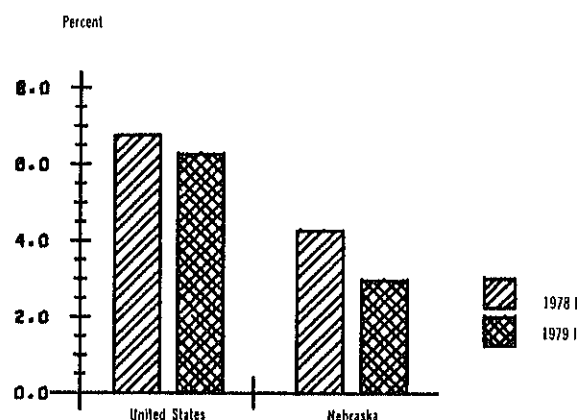


TABLE 4.—Labor Force, United States and Nebraska

	United States		Nebraska				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978:IV	1979 I	1977:IV— 1978:IV		1978:I— 1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	600	587	608	596	4.2	1.3	2.9	1.5
Mining	730	896	2	1	2	1	14.4	-11.1	22.7	.0
Construction	3,784	3,973	33	26	33	26	11.2	.6	5.0	-4.1
Manufacturing	20,064	20,652	91	91	94	94	3.6	3.4	2.9	4.1
Transportation, communication, and public utilities	4,779	4,943	42	42	45	44	4.4	6.9	3.4	6.0
Wholesale and retail trade	18,937	19,549	158	153	158	153	4.5	-6.6	3.2	-1.1
Finance, insurance, and real estate	4,601	4,790	38	38	40	40	5.2	3.9	4.1	3.6
Services	15,758	16,149	106	106	109	108	4.4	3.3	2.5	2.2
Government	15,435	15,648	131	130	128	129	1.4	-1.8	1.4	-0.8
Civilian labor force ³	98,106	101,260	752	742	768	748	3.1	2.1	3.2	.8
Total employed	91,401	94,901	725	710	747	725	3.9	3.1	3.8	2.1
Total unemployed	6,705	6,360	28	32	21	23	-8.8	-26.0	-5.1	-28.6
Percent unemployed	6.8	6.3	3.7	4.3	2.7	3.0				

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

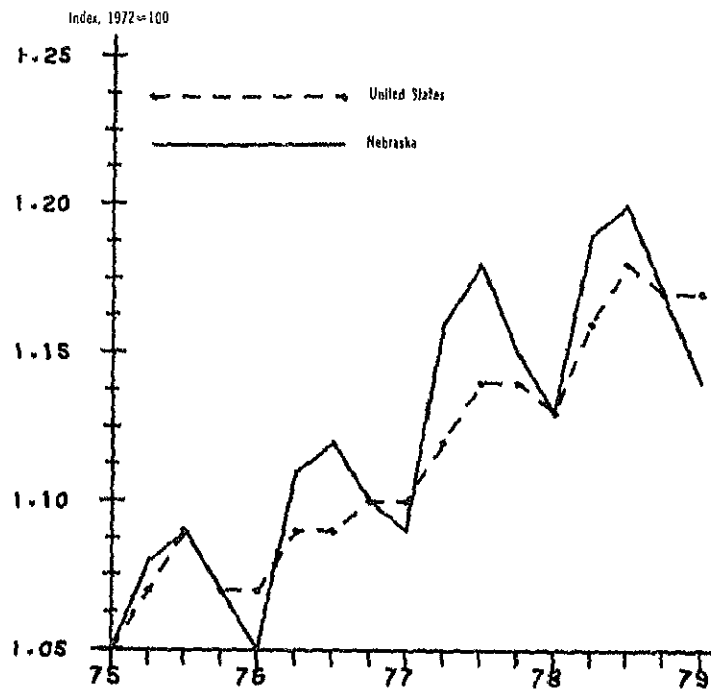


Chart 8.—Civilian Employment

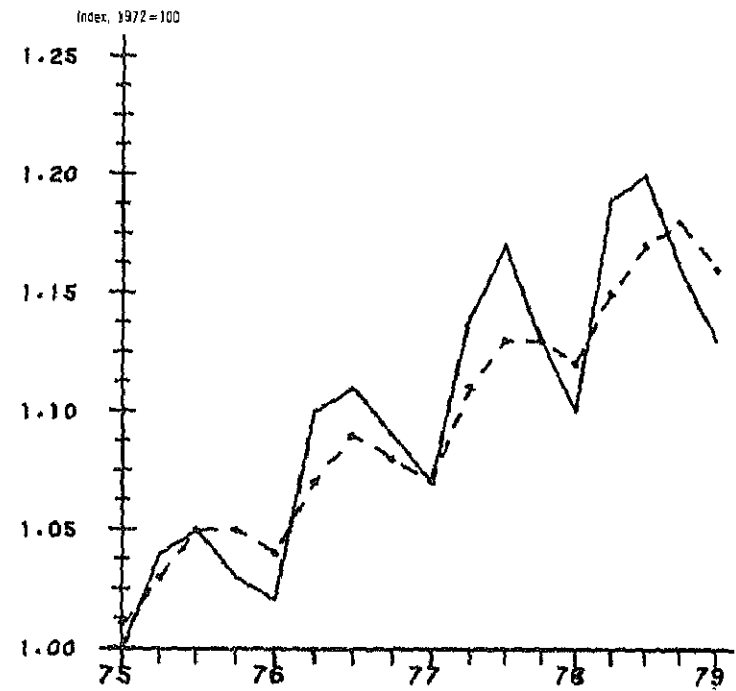


Chart 9.—Unemployment Rate

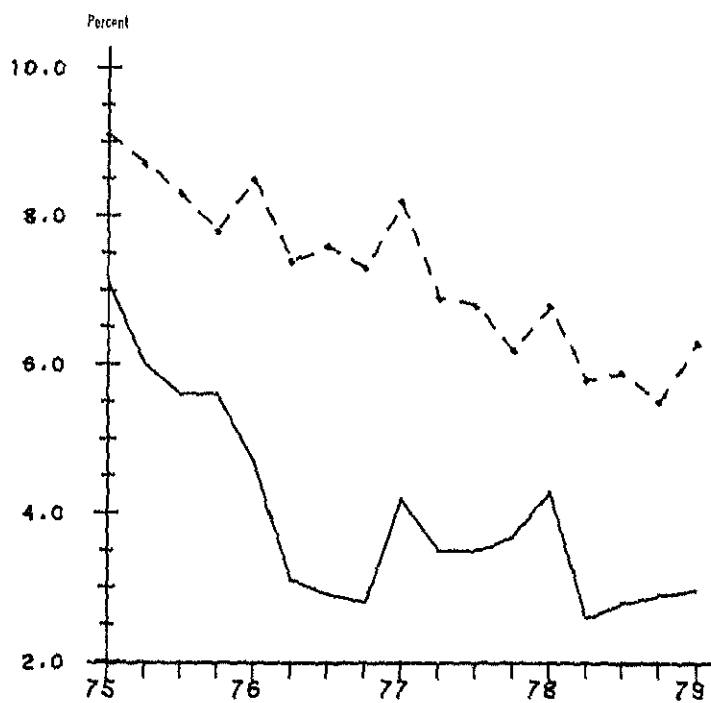
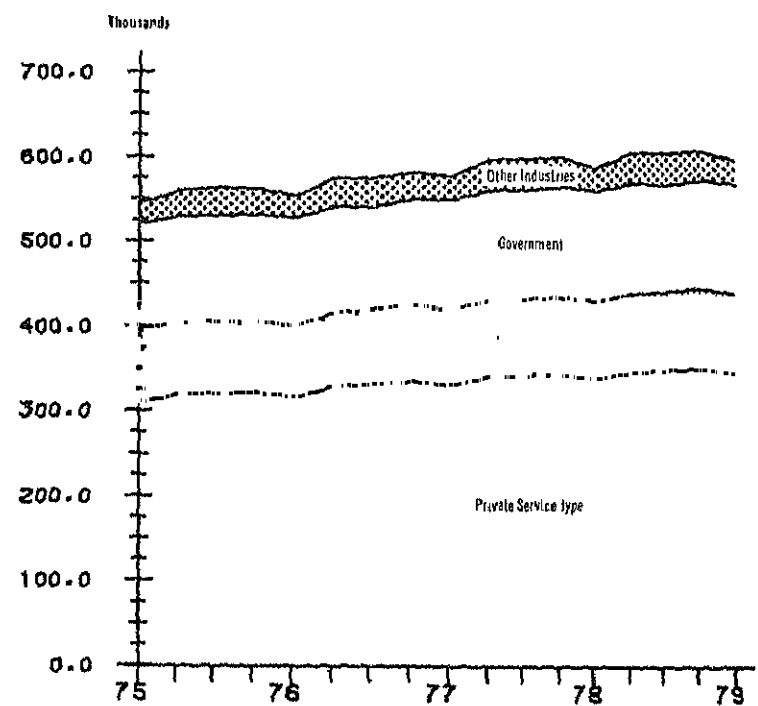


Chart 10.—Industrial Composition of Nonagricultural Employment: Nebraska



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I—1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Nebraska

	United States		Nebraska				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	4,933	4,983	5,383	n.a.	15.6	9.1	---	---
Commercial and industrial	202,241	n.a.	1,086	1,175	1,177	n.a.	13.3	8.3	---	---
Loans to individuals	143,356	n.a.	1,116	1,116	1,229	n.a.	18.7	10.2	---	---
Real estate	183,599	n.a.	646	652	721	n.a.	19.6	11.6	---	---
Residential..	104,830	n.a.	269	282	314	n.a.	22.1	16.8	---	---
Farms	7,919	n.a.	96	95	96	n.a.	9.6	1	---	---
Other	70,851	n.a.	281	274	311	n.a.	17.0	10.6	---	---
Farms, excluding real estate	25,440	n.a.	1,883	1,826	1,999	n.a.	9.5	6.2	---	---
Other.	64,581	n.a.	202	215	257	n.a.	7.9	26.8	---	---
Total deposits	911,772	n.a.	7,395	7,342	8,193	n.a.	9.3	10.8	---	---
Demand	344,245	n.a.	2,951	2,776	3,225	n.a.	5.6	9.3	---	---
Time and savings	567,527	n.a.	4,444	4,567	4,967	n.a.	11.9	11.8	---	---

¹ Detail may not add to totals because of rounding

² Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV—1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in Nebraska increased 9.1 percent from 1977:IV to 1978:IV, 6.5 percentage points less than nationally (table 5). The State's increase, the smallest in the Nation after Alaska's 7.6-percent increase, brought bank loans to a total of \$5.4 billion, up \$450 million since 1977:IV. Loans to individuals and real estate loans increased 10.2 percent and 11.6 percent, respectively; both increases were about 8 percentage points less than corresponding national increases. Commercial and industrial

loans increased 8.3 percent in the State versus 13.3 percent in the Nation. In each of the above three categories of loans, Nebraska's increase was one of the 10 smallest in the Nation. Farm loans, excluding real estate, increased 6.2 percent versus 9.5 percent nationally.

Total deposits in the State increased 10.8 percent versus 9.3 percent nationally. In 1978:IV, bank deposits totaled \$8.2 billion, up \$800 million since 1977:IV. Demand deposits increased 9.3 percent versus 5.6 percent nationally; Nebraska's increase was the ninth largest in the Nation. Time and savings deposits increased 11.8 percent, 0.1 percentage point less than nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 25.9 percent (\$56.0 million), to \$272.1 million (table 6). The State's percentage increase exceeded the Nation's by about 6 percentage points. Construction costs nationally rose about 14 percent during the same timespan; if this increase is representative of cost changes in Nebraska, the total real valuation of construction contracts increased about 12 percent in the State, twice the Nation's real rate of increase.

Sharp increases in the valuation of the State's nonbuilding and new residential housekeeping contracts were the major factors in the relative strength of Nebraska's overall construction market. Nonbuilding contracts increased 63.7 percent in valuation (\$34.1 million), 40 percentage points more than in the Nation. Two-thirds of the year-to-year increase in the valuation of nonbuilding contracts in the State was due to a 114.9-percent increase (\$23.4 million) in the valuation of the street and highway component.

The valuation of new residential housekeeping contracts increased 29.2 percent (\$16.6 million), more than twice the Nation's rate of increase. Similarly, the number of dwelling units started increased 29.1 percent (to 2,325 units), compared with a 2.6-percent increase nationally; Nebraska's percentage increase ranked ninth among all States.

Additions and alterations to residential housekeeping units increased 18.8 percent in valuation (\$7.6 million) versus 17.9 percent nationally.

The valuation of nonresidential contracts declined 5.4 percent (\$3.5 million), compared with a national increase of 28.0 percent. It should be noted, however, that a \$22 million contract in 1978:I for the construction of an office building in Douglas County raised the valuation of nonresidential contracts in that quarter to an abnormally high level, thereby distorting the subsequent year-to-year change. If the Douglas County contract is excluded, the State's relative performance in nonresidential construction would have been consistent with the sharp increases in the State's residential and nonbuilding construction.

Chart 14.—Construction Contracts—Total Valuation

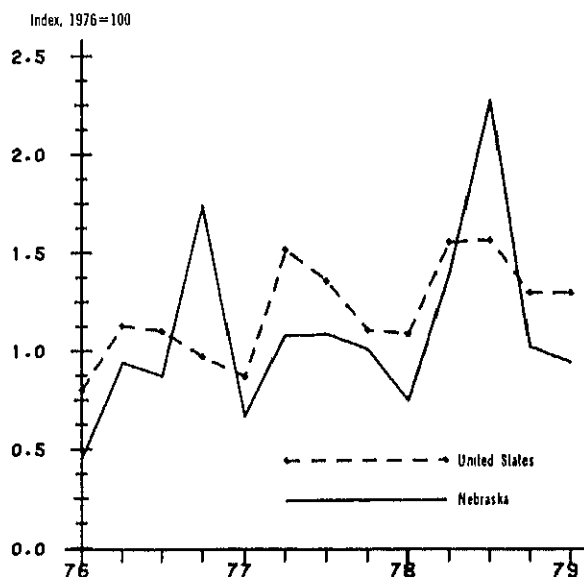


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Nebraska

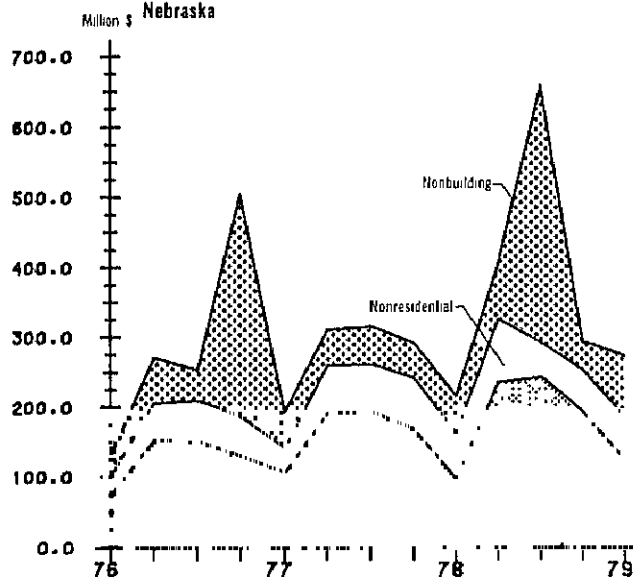


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

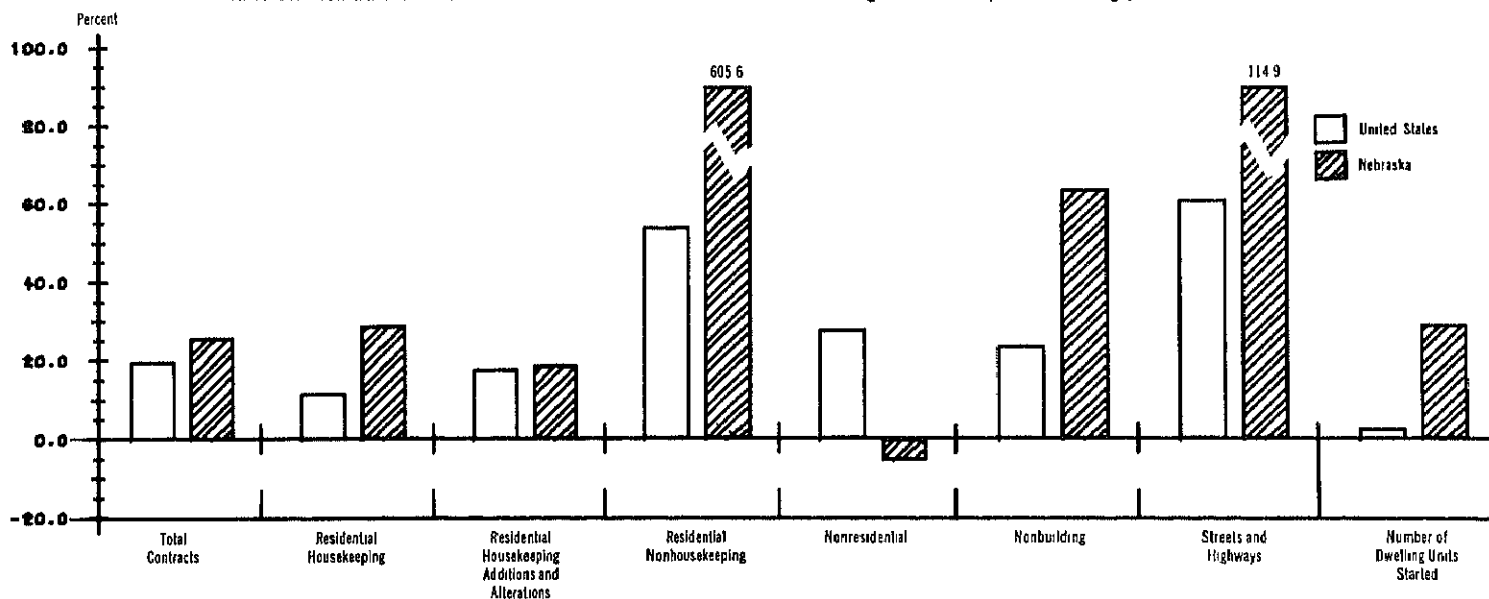


TABLE 6.—Construction Contracts, United States and Nebraska¹

	United States		Nebraska				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	291,022	216,135	294,013	272,124	16.8	1.0	19.8	25.9
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	67,433	40,424	68,431	48,004	14.6	1.5	17.9	18.8
All other contracts										
Number of contracts	53,028	53,454	882	741	710	732	-9.3	-19.5	8	-1.2
Valuation (thousands of dollars)	32,202,931	38,675,376	223,589	175,711	225,582	224,120	17.3	9	20.1	27.6
Floor area (thousands of square feet)	807,538	904,811	6,408	4,006	6,020	4,696	10.3	-6.1	12.0	17.2
Residential housekeeping										
Number of contracts	13,592	14,399	321	284	326	289	-4.3	1.6	5.9	1.8
Number of dwelling units	404,171	414,826	3,107	1,801	3,192	2,325	-2	2.7	2.6	29.1
Valuation (thousands of dollars)	13,806,696	15,431,523	96,829	56,713	122,865	73,263	15.6	26.9	11.8	29.2
Floor area (thousands of square feet)	546,445	571,860	3,704	2,162	4,552	2,616	10.7	22.9	4.7	21.0
Residential nonhousekeeping										
Number of contracts	441	464	5	3	5	3	-4	0	5.2	0
Valuation (thousands of dollars)	327,201	504,158	3,811	198	1,541	1,397	54.9	-59.6	54.1	605.6
Floor area (thousands of square feet)	8,179	11,483	91	7	7	53	34.7	-92.0	40.4	660.0
Nonresidential										
Number of contracts	25,282	23,514	281	168	173	177	-12.0	-38.4	-7.0	5.4
Valuation (thousands of dollars)	9,056,146	11,595,243	73,521	65,178	60,213	61,690	16.3	-18.1	28.0	-5.4
Floor area (thousands of square feet)	252,915	321,468	2,613	1,837	1,461	2,027	8.7	-44.1	27.1	10.3
Nonbuilding										
Number of contracts	13,713	15,077	275	286	206	263	-9.1	-25.1	9.9	-8.0
Valuation (thousands of dollars)	9,012,888	11,144,452	49,428	53,622	40,963	87,770	20.6	-17.1	23.7	63.7
Streets and Highways										
Number of contracts	3,989	4,750	99	96	68	96	-17.8	-31.3	19.1	0
Valuation (thousands of dollars)	1,399,453	2,255,221	25,427	20,336	13,966	43,707	-18.1	-45.1	61.2	114.9

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Nebraska are not available.

TABLE 7.—Retail Sales, United States and Nebraska

	United States		Nebraska				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977:IV— 1978:IV		1978:I— 1979:I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

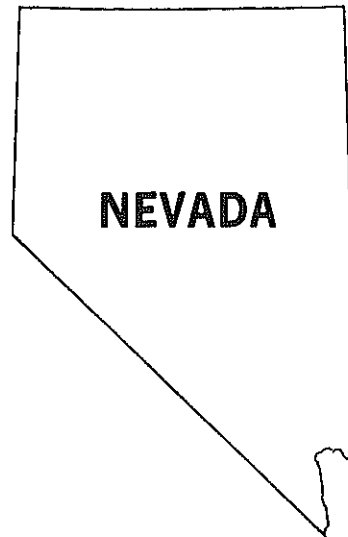
TABLE 8.—Business Incorporations and Failures, United States and Nebraska

	United States		Nebraska				U S	State	U S	State
	1978 I	1979:I	1977 IV	1978:I	1978:IV	1979 I	1977:IV-- 1978:IV	1978 I-- 1979 I		
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	712	716	810	n.a.	13.2	13.8	---	---
Total number of business failures	1,729	n.a.	10	20	9	n.a.	-4.9	-10.0	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	2,101	68,712	2,052	n.a.	13.7	-2.3	---	---
Average liability per failure (thousands of dollars)	404	n.a.	210	3,436	228	n.a.	19.4	8.6	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	2	4	2	n.a.	6.0	0	---	---
Construction	279	n.a.	2	2	1	n.a.	-8.2	-50.0	---	---
Wholesale trade	205	n.a.	2	3	1	n.a.	-6.3	-50.0	---	---
Retail trade	769	n.a.	3	9	4	n.a.	-4.4	33.3	---	---
Commercial services	205	n.a.	1	2	1	n.a.	-23.5	.0	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 16.6% vs. 12.6% in U.S., to \$6.6 billion
- Private service-type payrolls up 17.6% vs. 12.6% in U.S.
- Manufacturing payrolls up 19.0% vs. 14.0% in U.S.

Employment

- Up 5.0% vs. 3.8% in U.S., to 316,000

Unemployment

- Down 1,000, to 17,000
- Rate down 0.5 percentage point, to 5.2% of labor force vs. 6.3% in U.S.

Construction

- Total valuation of contracts up 38.0% vs. 19.8% in U.S., to \$363 million
- Valuation of contracts for additions and alterations to residential housekeeping up 38.0%, largest gain in U.S., to \$25 million
- Number of dwelling-unit starts up 34.1% vs. 2.6% in U.S., to 5,293

TABLE 1.—Summary of Economic Indicators, United States and Nevada

	United States		Nevada				U S	State	U S	Sta*
	1978 I	1979:I	1977 IV	1978:I	1978:IV	1979 I	1977:IV-- 1978:IV	1978 I-- 1979:I	U S	Sta*
All indicators, except income, not seasonally adjusted							Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	5,347	5,676	6,333	6,620	12.6	18.4	12.6	16.6
Total wages and salaries (millions of dollars)..	1,042,716	1,176,598	3,946	4,246	4,737	4,999	12.6	20.1	12.8	17.7
Civilian employment (thousands)	91,401	94,901	308	301	332	316	3.9	7.8	3.8	5.0
Unemployment (thousands)	6,705	6,360	22	18	14	17	-8.8	-35.1	-5.1	-4.3
Percent unemployed (unemployment/labor force)	6.8	6.3	6.6	5.7	4.1	5.2	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	1,524	1,622	1,932	n.a.	15.6	26.7	---	---
Total deposits (millions of dollars)	911,772	n.a.	2,431	2,522	2,877	n.a.	9.3	18.3	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	250,832	263,041	348,832	363,073	16.8	39.1	19.8	38.0
Dwelling units started (number)	404,171	414,826	3,773	3,946	4,266	5,293	-2	13.1	2.6	34.1
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	1,260	1,443	1,500	n.a.	13.2	19.0	---	---
Business failures (number)	1,729	n.a.	5	6	1	n.a.	-4.9	-80.0	---	---
Consumer Price Index (1967=100) U S city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n.a. Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Nevada increased 16.6 percent from 1978:I to 1979:I, leading the Nation's gain by 4 percentage points and ranking sixth among all State gains (table 2). In 1979:I, Nevada's personal income totaled \$6.6 billion, up \$0.9 billion since 1978:I.

Wage and salary disbursements (payrolls) increased 17.7 percent from 1978:I to 1979:I, exceeding the Nation's gain by almost 5 percentage points. All major private industries registered payroll gains that exceeded those of national counterparts. Construction payrolls increased 36.6 percent, the largest gain in the State, to \$593 million. The gain compared favorably with the Nation's 21.3-percent average and was exceeded by construction gains in only four States.

Three of the four private service-type industries registered year-to-year gains that were among the largest in the Nation. Finance-insurance-real estate payrolls increased 29.5 percent, more than twice the Nation's 13.3-percent gain; trade payrolls increased 23.3 percent, almost 10 percentage points above the Nation's gain; and transportation-communication-public utilities payrolls increased 20.1 percent, well above the Nation's 11.5-percent gain. Services payrolls, the State's largest, increased 13.8 percent, 2 percentage points above the gain nationally, to \$1.8 billion. In 1979:I, private service-type industry payrolls accounted for a larger share of total personal income in Nevada (nearly 50 percent) than in any other State.

Manufacturing payrolls increased 19.0 percent from 1978:I to 1979:I, to \$263 million. The gain led the Nation's gain by 5 percentage points and was one of the largest in the Nation. State and local government payrolls increased 9.4 percent, compared with 6.1 percent nationally, to \$527 million.

Federal Government payrolls increased 6.3 percent from year to year. This was the smallest payroll gain in the State and was the only gain that was smaller in Nevada than in the Nation.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

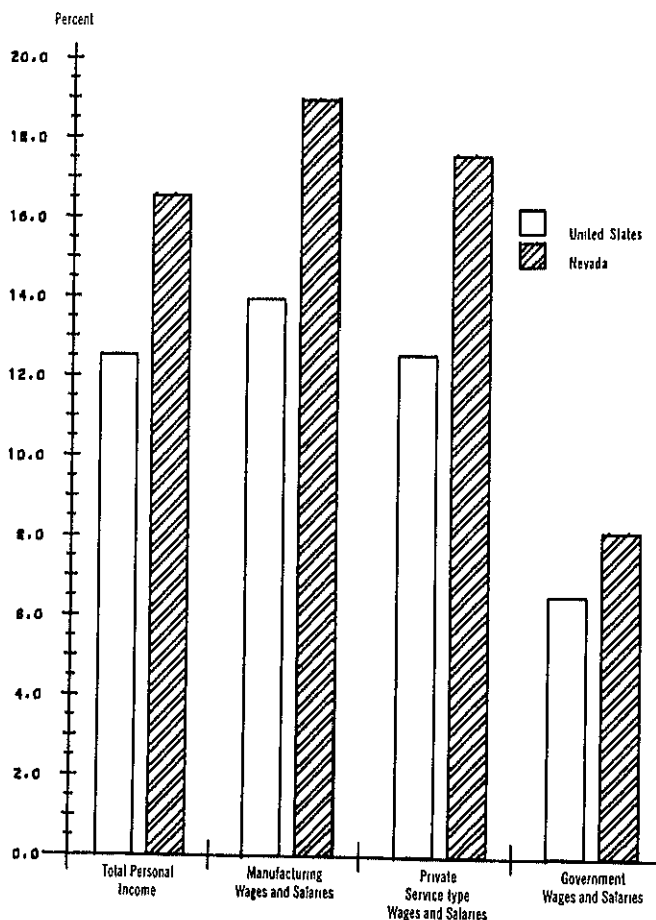


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

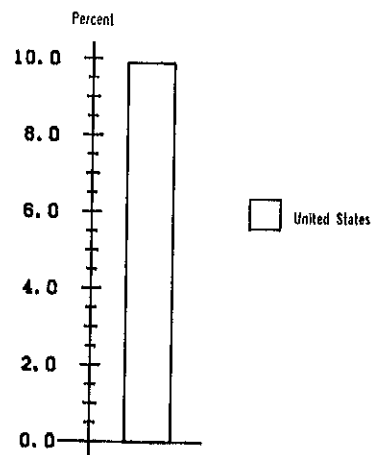


Chart 3—Total Personal Income
[Seasonally adjusted]

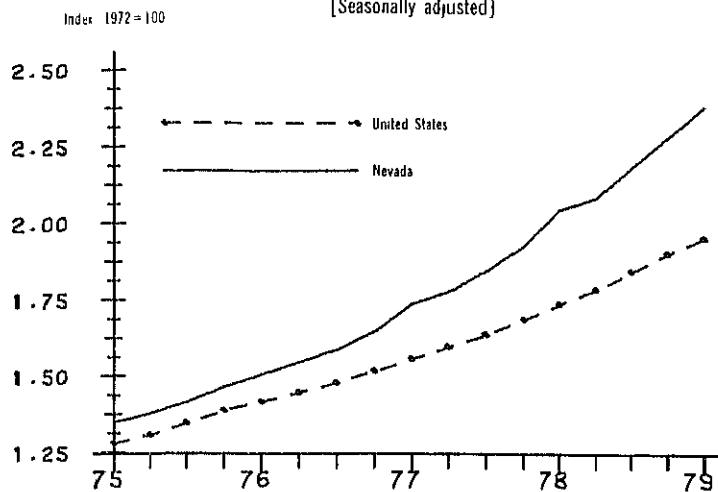


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

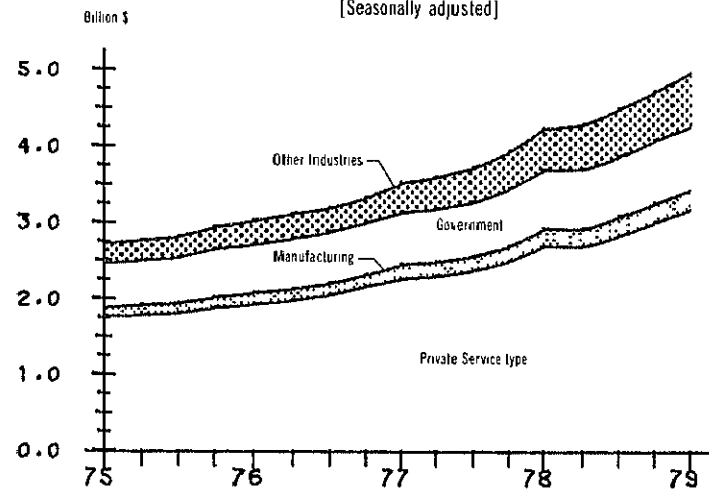


TABLE 2.—Personal Income, United States and Nevada

	United States		Nevada				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977.IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	5,347	5,676	6,333	6,620	12.6	18.4	12.6	16.6
Farm personal income	32,083	40,141	41	49	68	74	26.3	65.2	25.1	51.7
Nonfarm personal income	1,592,582	1,789,374	5,306	5,627	6,265	6,546	12.3	18.1	12.4	16.3
Total personal income	1,624,665	1,829,515	5,347	5,676	6,333	6,620	12.6	18.4	12.6	16.6
Wage and salary disbursements	1,042,716	1,176,598	3,946	4,246	4,737	4,999	12.6	20.1	12.8	17.7
Other labor income	99,957	115,833	233	252	287	304	16.4	23.6	15.9	20.7
Proprietors' income	108,808	126,535	240	259	311	321	18.9	29.6	16.3	24.1
Farm	24,448	31,221	16	24	41	45	31.3	148.6	27.7	88.5
Nonfarm	84,360	95,314	224	235	270	276	15.3	21.0	13.0	17.5
Dividends, interest, and rent	221,191	250,595	651	673	743	771	12.8	14.1	13.3	14.6
Transfer payments	219,202	238,794	604	611	658	670	8.2	8.9	8.9	9.7
State unemployment insurance benefits	9,997	8,023	43	35	31	28	-30.3	-27.9	-19.7	-21.1
Less: personal contributions	66,792	78,351	217	245	269	302	15.1	23.7	17.3	22.9
Plus: residence adjustment	-417	-489	-109	-119	-135	-143				
Wage and salary disbursements	1,042,716	1,176,598	3,946	4,246	4,737	4,999	12.6	20.1	12.8	17.7
Farm	7,215	8,422	24	24	27	28	10.6	10.4	16.7	16.4
Nonfarm	1,035,501	1,168,176	3,921	4,222	4,711	4,970	12.6	20.1	12.8	17.7
Mining	12,013	19,166	65	69	70	73	33.9	6.9	59.5	5.5
Construction	56,564	68,593	386	434	535	593	20.1	38.6	21.3	36.6
Manufacturing	285,735	325,636	205	221	261	263	13.3	27.3	14.0	19.0
Durable goods	182,321	211,944	137	151	185	185	15.2	35.3	16.2	22.4
Nondurable goods	103,414	113,692	68	70	76	79	10.0	11.2	9.9	11.7
Private service type	473,132	532,823	2,510	2,717	3,019	3,196	13.1	20.3	12.6	17.6
Transportation, communication, and public utilities	79,598	88,755	305	322	363	387	11.3	18.8	11.5	20.1
Wholesale and retail trade	177,331	201,608	579	627	721	774	14.1	24.7	13.7	23.3
Finance, insurance, and real estate	55,930	63,373	158	156	188	202	13.2	19.0	13.3	29.5
Services	160,273	179,087	1,468	1,611	1,748	1,834	12.7	19.1	11.7	13.8
Government	204,558	218,008	746	770	815	833	6.9	9.3	6.6	8.2
Federal	68,698	73,916	276	288	297	306	7.1	7.7	7.6	6.3
State and local	135,860	144,092	470	482	518	527	6.8	10.2	6.1	9.4
Other	3,499	3,950	10	10	11	12	14.6	16.3	12.9	14.6

1 Detail may not add to totals because of rounding.
2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Nevada¹

	United States		Nevada				U S	State	U S	State
	1978:I	1979:I	1977 IV	1978:I	1978 IV	1979:I	1977 IV— 1978 IV	1978 I— 1979:I		
	Index, 1967=100, not seasonally adjusted						Percent change			
U S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---

1 Consumer Price indexes are shown for the most relevant SMSA(s) for which data are available
2 Average for 85 representative urban areas based on the 1970 Census of Population
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Nevada's civilian labor force increased 4.4 percent, 1.2 percentage points above the Nation's advance (table 4). Total employment increased 5.0 percent (from 301,000 to 316,000), also leading the Nation's advance by 1.2 percentage points.

With employment increasing by 15,000 and the labor force increasing by 14,000, the number of unemployed declined by 1,000. The unemployment rate declined one-half of a percentage point, to 5.2 percent of the labor

force in 1979:I. Nationally, the unemployment rate also fell one-half of a percentage point, to 6.3 percent.

Across the State, unemployment rates varied somewhat. According to preliminary data for March 1979, unemployment rates in the metropolitan areas of Las Vegas and Reno were 5.6 percent and 3.6 percent, respectively. Nonmetropolitan Nevada registered a 7.1-percent unemployment rate, far above the State's 5.3-percent preliminary rate.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Nevada

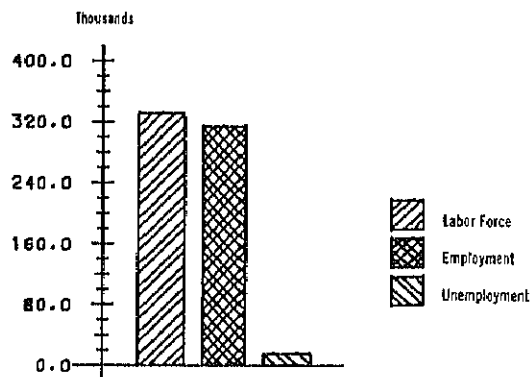


Chart 6.—Unemployment Rates, 1978:I—1979:I

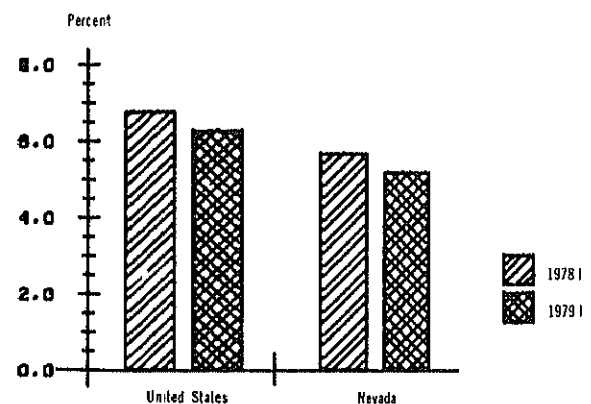


TABLE 4.—Labor Force, United States and Nevada

	United States		Nevada				U S	State	U S	State
	1978:I	1979 I	1977:IV	1978 I	1978:IV	1979:I	1977:IV— 1978:IV	1978 I— 1979 I		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	322	324	367	366	4.2	14.2	2.9	13.2
Mining	730	896	5	4	4	4	14.4	-15.2	22.7	-11.4
Construction	3,784	3,973	22	23	28	27	11.2	27.1	5.0	19.9
Manufacturing	20,064	20,652	16	17	19	19	3.6	17.0	2.9	14.5
Transportation, communication, and public utilities	4,779	4,943	19	20	23	23	4.4	16.6	3.4	17.4
Wholesale and retail trade	18,937	19,549	64	64	73	73	4.5	14.0	3.2	13.4
Finance, insurance, and real estate	4,601	4,790	14	14	15	15	5.2	11.9	4.1	13.2
Services	15,758	16,149	131	132	153	152	4.4	16.3	2.5	15.3
Government	15,435	15,648	51	51	53	53	1.4	4.7	1.4	4.5
Civilian labor force ³	98,106	101,260	329	319	346	333	3.1	5.0	3.2	4.4
Total employed	91,401	94,901	308	301	332	316	3.9	7.8	3.8	5.0
Total unemployed	6,705	6,360	22	18	14	17	-8.8	-35.1	-5.1	-4.3
Percent unemployed	6.8	6.3	6.6	5.7	4.1	5.2	---	---	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

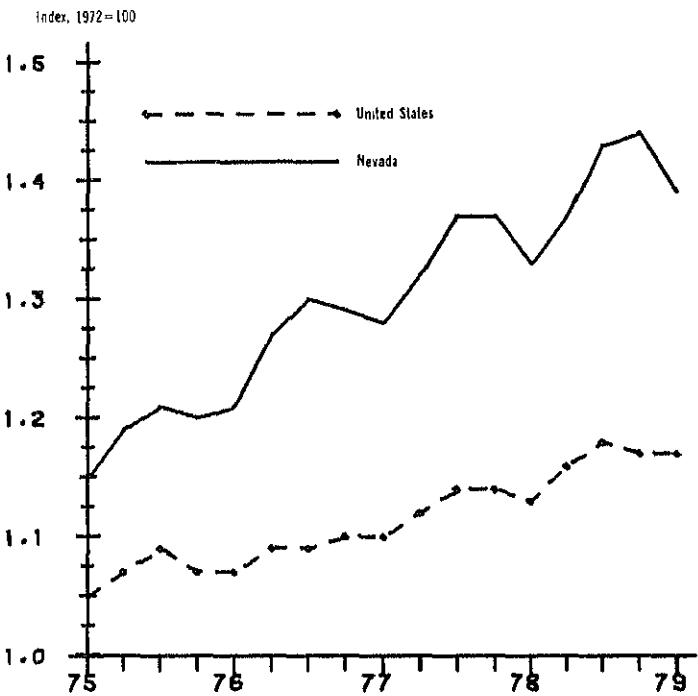


Chart 8.—Civilian Employment

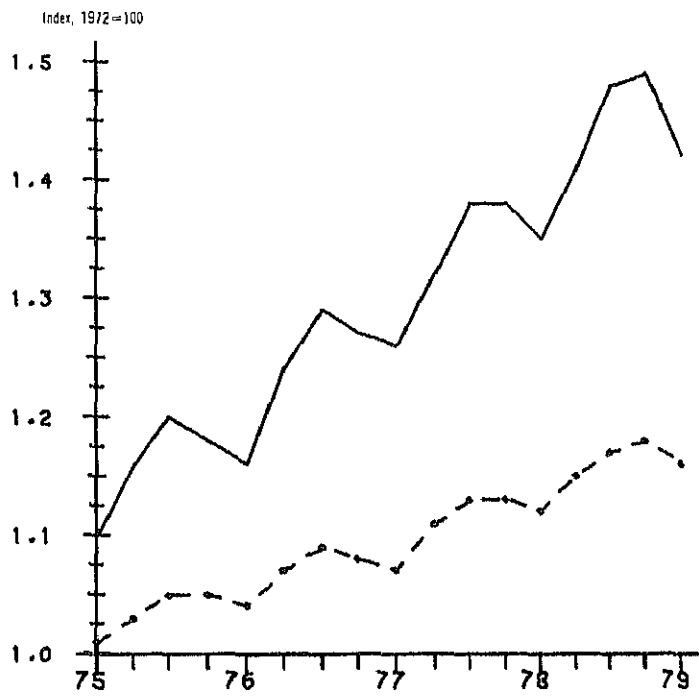


Chart 9.—Unemployment Rate

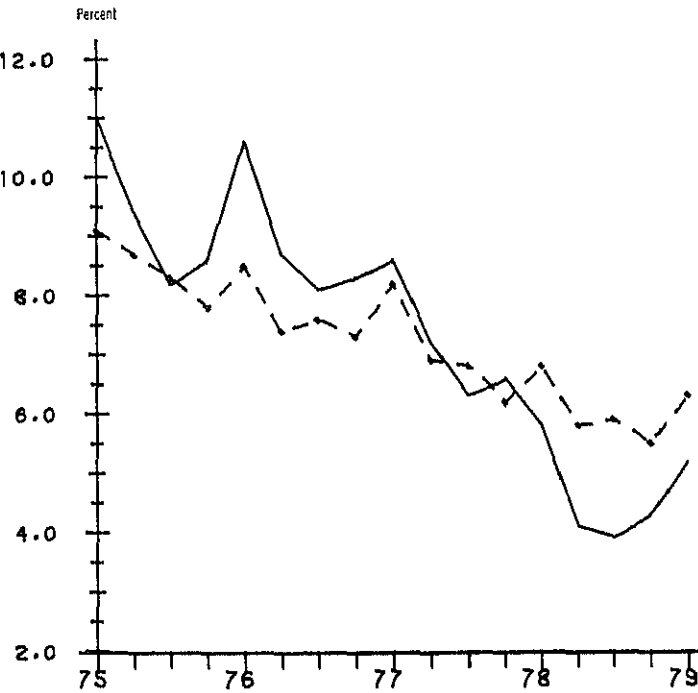
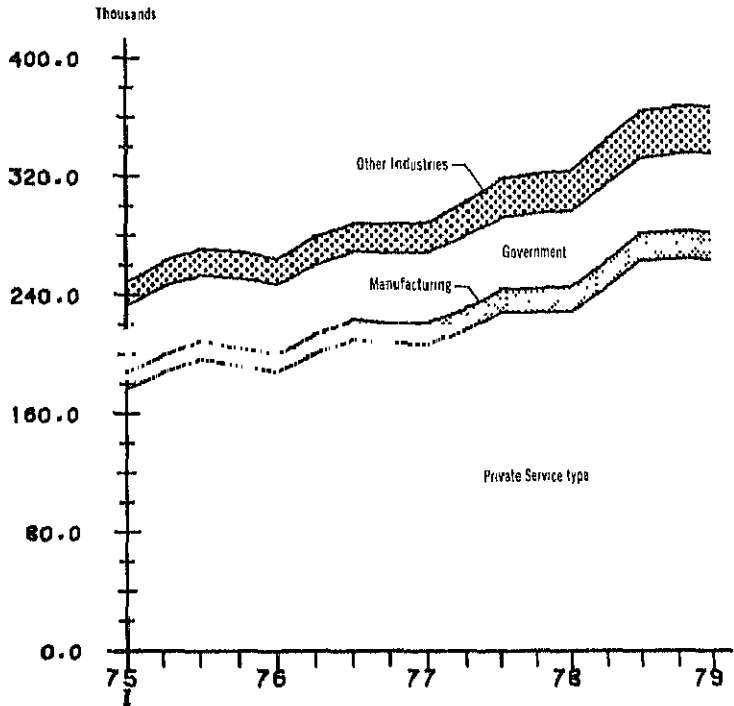


Chart 10.—Industrial Composition of Nonagricultural Employment: Nevada



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Nevada

	United States		Nevada				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	1,524	1,622	1,932	n.a.	15.6	26.7	---	---
Commercial and industrial	202,241	n.a.	398	420	479	n.a.	13.3	20.5	---	---
Loans to individuals	143,356	n.a.	400	419	505	n.a.	18.7	26.2	---	---
Real estate	183,599	n.a.	681	743	909	n.a.	19.6	33.6	---	---
Residential	104,830	n.a.	293	313	405	n.a.	22.1	38.3	---	---
Farms	7,919	n.a.	2	3	2	n.a.	9.6	-27.4	---	---
Other	70,851	n.a.	386	427	502	n.a.	17.0	30.3	---	---
Farms, excluding real estate	25,440	n.a.	24	20	20	n.a.	9.5	-15.2	---	---
Other	64,581	n.a.	21	20	18	n.a.	7.9	-16.2	---	---
Total deposits	911,772	n.a.	2,431	2,522	2,877	n.a.	9.3	18.3	---	---
Demand	344,245	n.a.	1,061	1,055	1,252	n.a.	5.6	18.0	---	---
Time and savings	567,527	n.a.	1,370	1,467	1,624	n.a.	11.9	18.6	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans rose 26.7 percent in Nevada from 1977:IV to 1978:IV, leading the national increase by over 11.0 percentage points and ranking first among all State increases (table 5). Real estate loans rose 33.6 percent, the largest increase in the Nation, to \$909 million. Loans to individuals rose 26.2 percent, compared with a national increase of 18.7 percent, to \$505 million. Commercial and industrial loans rose 20.5

percent, outpacing the Nation's average increase by over 7.0 percentage points, to \$479 million.

Total deposits increased 18.3 percent, almost twice the increase registered nationally and the largest increase among all States. Both types of deposits registered increases that were substantially above those of national counterparts and that ranked among the largest in the Nation. Time and savings deposits rose 18.6 percent, to \$1.6 billion, and demand deposits rose 18.0 percent, to \$1.3 billion.

Construction

The total valuation of contracts in Nevada rose 38.0 percent from 1978:I to 1979:I, almost twice the Nation's gain, to \$363 million (table 6). National construction costs rose about 14 percent during the same timespan; if this national rise reflects the cost advance throughout Nevada, the real valuation of contracts rose about one-fourth, compared with about 6 percent nationally.

Strong year-to-year gains were registered in most construction markets in the State. Additions and alterations to residential housekeeping units rose 41.8 percent in valuation, to \$25 million; the percentage gain was the largest among all States and far outpaced the Nation's 17.9-percent gain. The valuation of residential housekeeping contracts rose 29.3 percent, compared with an 11.8-percent gain nationally, to \$338 million. The number of dwelling units started rose 34.1 percent (from 4,000 to 5,300), a gain that far exceeded the Nation's 2.6-percent gain and ranked sixth among all State gains.

Reflecting a \$14 million contract for a water treatment plant in Clark County and an \$11 million contract for a roadway in Elko County, the valuation of nonbuilding contracts increased over twofold, to \$62 million. Nationally, the valuation of nonbuilding contracts rose less than one-fourth from year to year. A major component of nonbuilding construction, street and highway contracts (which include the Elko County roadway contract), rose 46.2 percent in valuation versus 61.2 percent nationally.

With only two contracts reported in 1979:I (compared with five in 1978:I), the valuation of residential nonhousekeeping contracts declined sharply from year to year, to only \$1.6 million in 1979:I.

Chart 14.—Construction Contracts—Total Valuation

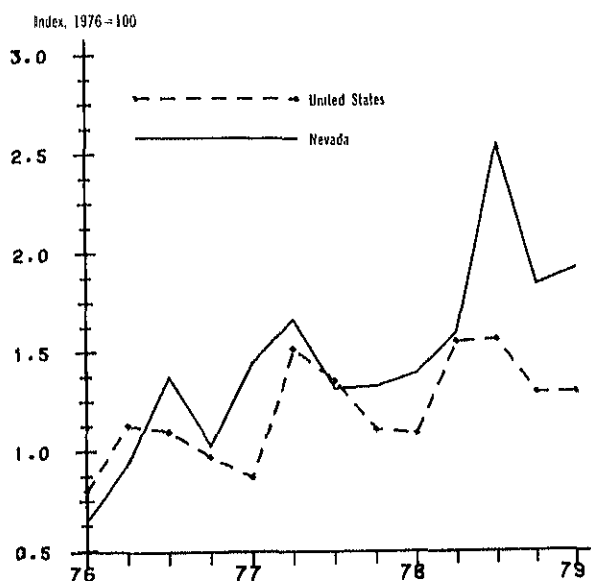


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Nevada

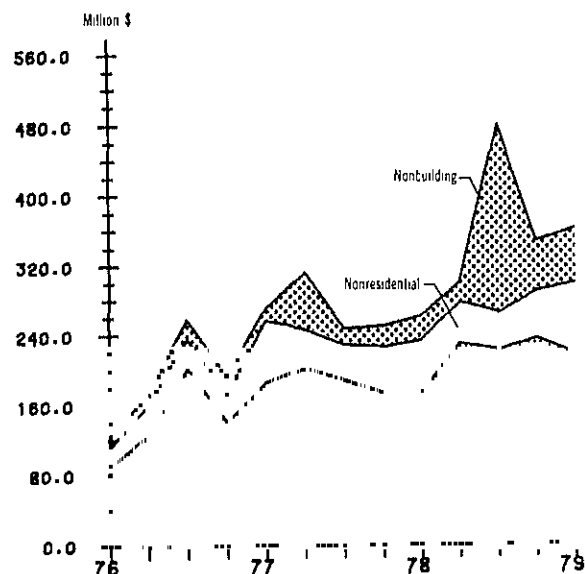


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

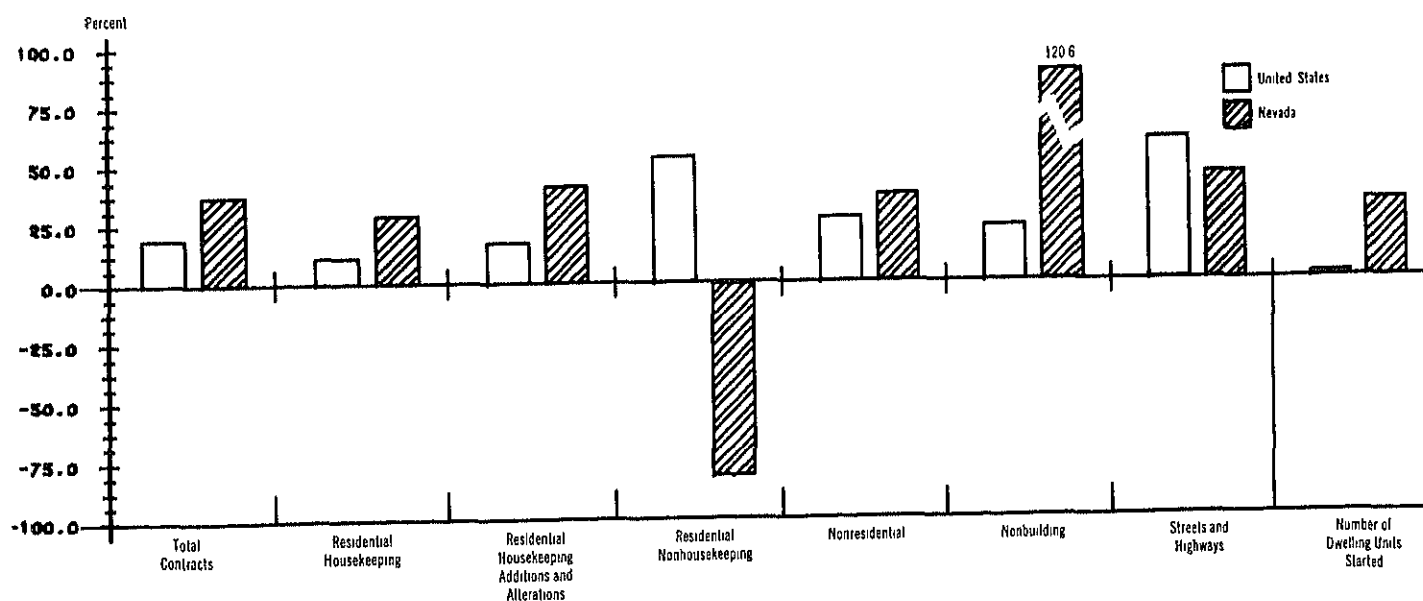


TABLE 6.—Construction Contracts, United States and Nevada¹

	United States		Nevada				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	250,832	263,041	348,832	363,073	16.8	39.1	19.8	38.0
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	21,655	17,383	29,111	24,652	14.6	34.4	17.9	41.8
All other contracts										
Number of contracts	53,028	53,454	215	198	215	200	-9.3	0	8	1.0
Valuation (thousands of dollars)	32,202,931	38,675,376	229,177	245,658	319,721	338,421	17.3	39.5	20.1	37.8
Floor area (thousands of square feet)	807,538	904,811	7,118	7,539	8,611	8,727	10.3	21.0	12.0	15.8
Residential housekeeping										
Number of contracts	13,592	14,399	60	51	73	77	-4.3	21.7	5.9	51.0
Number of dwelling units	404,171	414,826	3,773	3,946	4,266	5,293	-2	13.1	2.6	34.1
Valuation (thousands of dollars)	13,806,696	15,431,523	127,137	147,892	177,080	191,285	15.6	39.3	11.8	29.3
Floor area (thousands of square feet)	546,445	571,860	4,938	5,543	6,327	6,731	10.7	28.1	4.7	21.4
Residential nonhousekeeping										
Number of contracts	441	464	8	5	4	2	-4	-50.0	5.2	-60.0
Valuation (thousands of dollars)	327,201	504,158	24,476	8,868	30,234	1,550	54.9	23.5	54.1	-82.5
Floor area (thousands of square feet)	8,179	11,483	255	159	712	47	34.7	179.6	40.4	-70.4
Nonresidential										
Number of contracts	25,282	23,514	108	77	100	73	-12.0	-7.4	-7.0	-5.2
Valuation (thousands of dollars)	9,056,146	11,595,243	53,481	60,732	55,216	83,464	16.3	3.2	28.0	37.4
Floor area (thousands of square feet)	252,915	321,468	1,926	1,838	1,572	1,949	8.7	-18.4	27.1	6.0
Nonbuilding										
Number of contracts	13,713	15,077	39	65	38	48	-9.1	-2.6	9.9	-26.2
Valuation (thousands of dollars)	9,012,888	11,144,452	24,083	28,166	57,191	62,122	20.6	137.5	23.7	120.6
Streets and Highways										
Number of contracts	3,989	4,750	19	36	10	26	-17.8	-47.4	19.1	-27.8
Valuation (thousands of dollars)	1,399,453	2,255,221	17,815	22,179	18,852	32,436	-18.1	5.8	61.2	46.2

¹ Contracts started or expected to start within 60 days² Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE: Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Nevada are not available.

TABLE 7.—Retail Sales, United States and Nevada

	United States		Nevada				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Nevada

	United States		Nevada				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,260	1,443	1,500	n.a.	13.2	19.0	---	---
Total number of business failures	1,729	n.a.	5	6	1	n.a.	-4.9	-80.0	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	965	412	50	n.a.	13.7	-94.8	---	---
Average liability per failure (thousands of dollars)	404	n.a.	193	69	50	n.a.	19.4	-74.1	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	0	0	n.a.	6.0	---	---	---
Construction	279	n.a.	1	1	0	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	1	0	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	2	3	1	n.a.	-4	-50.0	---	---
Commercial services	205	n.a.	1	2	0	n.a.	-23.5	---	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE: This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

NEW HAMPSHIRE



Highlights

1978:I to 1979:I

Personal income

- Up 13.1%, 0.5 percentage point more than in U.S.
- Wages and salaries up 1.4 percentage points more than in U.S.
- Durable goods manufacturing and trade especially strong

Consumer prices

- Up 7.9% in Boston vs. 9.9% in U.S.

Employment

- Up 5.0% vs. 3.8% in U.S., to 408,000

Unemployment

- Down 4,000, to 14,000
- Rate down to 3.3% of labor force vs. 6.3% in U.S.

Construction

- Total valuation of contracts down 88.6% vs. increase of 19.8% in U.S., to \$135 million
- Valuation of nonbuilding contracts weak
- Number of dwelling-unit starts up 45.2% vs. 2.6% in U.S., to 1,221

TABLE 1.—Summary of Economic Indicators, United States and New Hampshire

	United States		New Hampshire				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	5,896	6,066	6,654	6,863	12.6	12.9	12.6	13.1
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	3,475	3,583	3,937	4,092	12.6	13.3	12.8	14.2
Civilian employment (thousands)	91,401	94,901	400	388	421	408	3.9	5.1	3.8	5.0
Unemployment (thousands)	6,705	6,360	22	18	17	14	-8.8	-20.9	-5.1	-21.9
Percent unemployed (unemployment/labor force)	6.8	6.3	5.2	4.4	4.0	3.3	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	1,592	1,627	1,807	n.a.	15.6	13.6	---	---
Total deposits (millions of dollars)	911,772	n.a.	2,164	2,151	2,394	n.a.	9.3	10.7	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	153,299	1,182,682	193,462	134,516	16.8	26.2	19.8	-88.6
Dwelling units started (number)	404,171	414,826	1,582	841	1,659	1,221	-2	4.9	2.6	45.2
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	366	332	389	n.a.	13.2	6.3	---	---
Business failures (number)	1,729	n.a.	8	4	9	n.a.	-4.9	12.5	---	---
Consumer Price Index (1967=100):										
U S city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Boston	---	---	185.3	187.7	199.2	202.5	---	7.5	---	7.9

n.a. Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.1 percent from 1978:I to 1979:I, 0.5 percentage point more than in the Nation (table 2). In 1979:I, New Hampshire's total personal income was \$6.9 billion, for an increase of \$0.8 billion since 1978:I. The income increase in each New England State was near the national average.

Consumer prices in Boston, the metropolitan area closest to New Hampshire for which price data are available, increased 7.9 percent from 1978:I to 1979:I versus a national increase of 9.9 percent (table 3). If Boston's index is used as an indicator for price movements in the State, real total personal income in New Hampshire increased 5.2 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 14.2 percent in New Hampshire, ranking 17th among all States, versus 12.8 percent in the Nation. In 1979:I, payrolls totaled \$4.1 billion, up \$0.5 billion since 1978:I. New Hampshire's increases in nearly all major industries exceeded the corresponding national increases.

Manufacturing payrolls increased 15.5 percent in the State versus 14.0 percent in the Nation. The increase in durables manufacturing was 19.2 percent versus 16.2 percent nationally. Durable goods payrolls accounted for 21 percent of New Hampshire's total payrolls in 1979:I, in contrast to a national weight of 18 percent. Nondurable goods payrolls increased somewhat less than 10 percent in both the State and Nation.

Private service-type payrolls increased 15.0 percent in New Hampshire and 12.6 percent in the Nation. The increase in each of the four industries comprising the private service-type group was larger in the State than in the Nation. State increases were particularly strong in trade and in finance-insurance-real estate.

Payrolls in construction in New Hampshire increased 18.4 percent versus 21.3 percent nationally. Similarly, the increase in New Hampshire in Federal Government payrolls was somewhat below the national increase. In contrast, State and local government payrolls increased more in New Hampshire than in the Nation.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

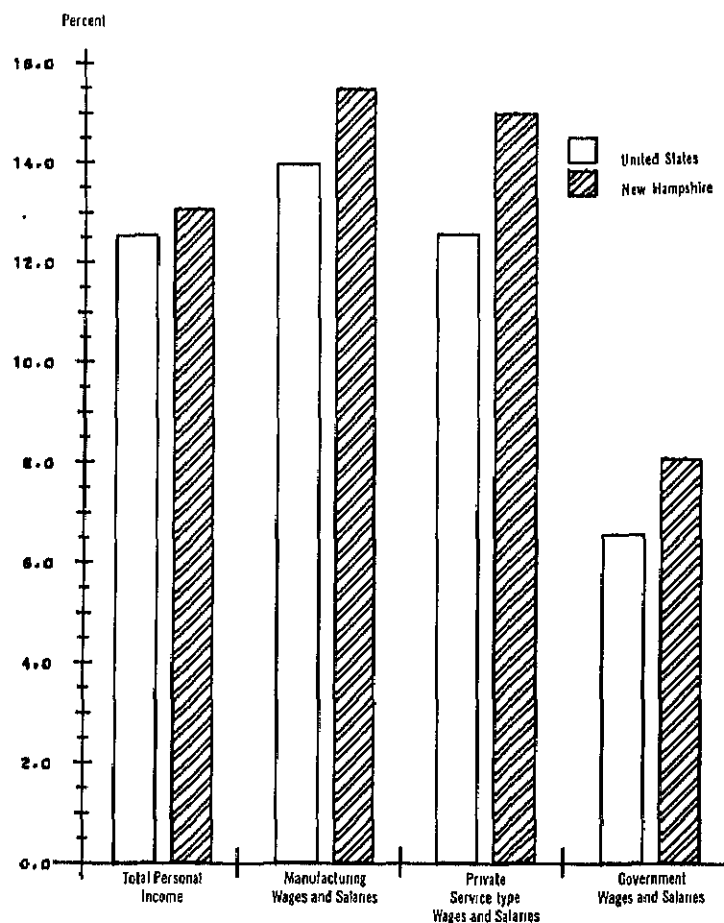


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

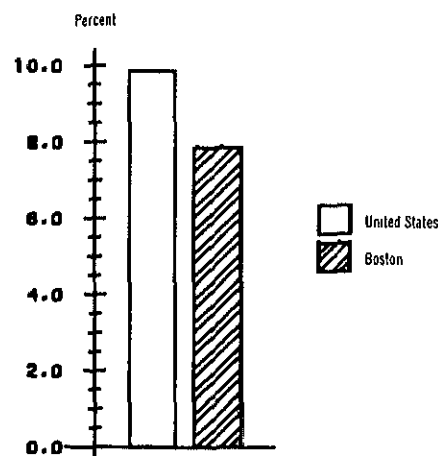


Chart 3.—Total Personal Income
[Seasonally adjusted]

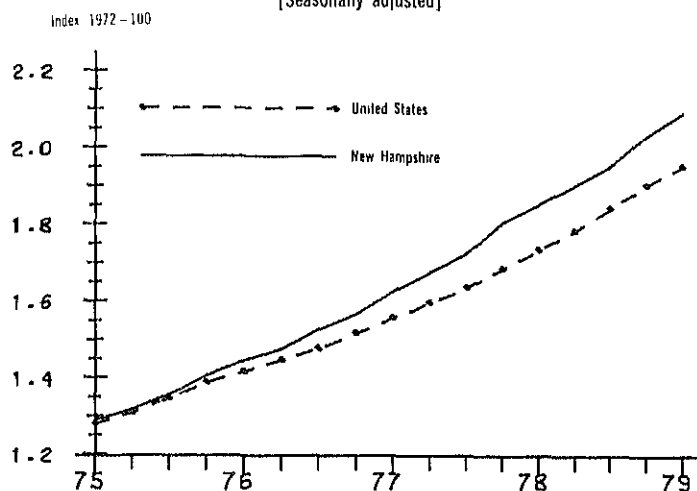


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

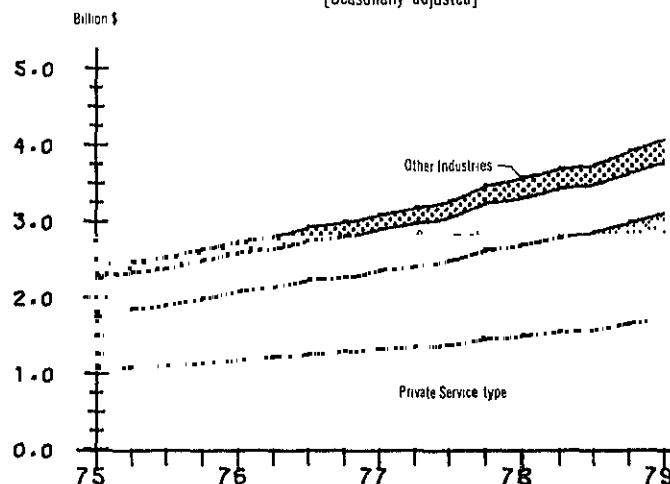


TABLE 2.—Personal Income, United States and New Hampshire

	United States		New Hampshire				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	5,896	6,066	6,654	6,863	12.6	12.9	12.6	13.1
Farm personal income	32,083	40,141	17	15	13	13	26.3	-22.1	25.1	-12.0
Nonfarm personal income	1,592,582	1,789,374	5,879	6,051	6,641	6,850	12.3	13.0	12.4	13.2
Total personal income	1,624,665	1,829,515	5,896	6,066	6,654	6,863	12.6	12.9	12.6	13.1
Wage and salary disbursements	1,042,716	1,176,598	3,475	3,583	3,937	4,092	12.6	13.3	12.8	14.2
Other labor income	99,957	115,833	350	363	405	422	16.4	16.0	15.9	16.4
Proprietors' income	108,808	126,535	308	322	351	354	18.9	13.7	16.3	9.8
Farm	24,448	31,221	8	6	4	3	31.3	-52.2	27.7	-44.6
Nonfarm	84,360	95,314	301	316	347	350	15.3	15.5	13.0	10.8
Dividends, interest, and rent	221,191	250,595	826	851	936	970	12.8	13.3	13.3	14.0
Transfer payments	219,202	238,794	770	785	844	859	8.2	9.6	8.9	9.4
State unemployment insurance benefits	9,997	8,023	21	19	15	12	-30.3	-25.5	-19.7	-35.0
Less personal contributions	66,792	78,351	247	264	284	313	15.1	15.2	17.3	18.4
Plus residence adjustment	-417	-489	414	427	466	479	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	3,475	3,583	3,937	4,092	12.6	13.3	12.8	14.2
Farm	7,215	8,422	8	8	8	9	10.6	4.9	16.7	10.7
Nonfarm	1,035,501	1,168,176	3,467	3,575	3,928	4,083	12.6	13.3	12.8	14.2
Mining	12,013	19,166	5	5	7	7	33.9	34.2	59.5	23.5
Construction	56,564	68,593	208	232	260	275	20.1	24.9	21.3	18.4
Manufacturing	285,735	325,636	1,182	1,198	1,323	1,385	13.3	12.0	14.0	15.5
Durable goods	182,321	211,944	727	731	826	871	15.2	13.6	16.2	19.2
Nondurable goods	103,414	113,692	455	468	497	514	10.0	9.3	9.9	9.8
Private service type	473,132	532,823	1,462	1,511	1,672	1,738	13.1	14.4	12.6	15.0
Transportation, communication, and public utilities	79,598	88,755	180	183	201	205	11.3	11.5	11.5	11.8
Wholesale and retail trade	177,331	201,608	585	616	691	729	14.1	18.2	13.7	18.3
Finance, insurance, and real estate	55,930	63,373	169	172	196	200	13.2	16.0	13.3	16.1
Services	160,273	179,087	528	539	584	604	12.7	10.6	11.7	12.0
Government	204,558	218,008	604	620	659	670	6.9	9.1	6.6	8.1
Federal	68,698	73,916	184	187	193	200	7.1	5.4	7.6	7.2
State and local	135,860	144,092	420	433	465	470	6.8	10.7	6.1	8.4
Other	3,499	3,950	7	8	8	9	14.6	14.3	12.9	12.7

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and New Hampshire¹

	United States		New Hampshire				U S	State	U S	State
	1978 I	1979:I	1977 IV	1978:I	1978 IV	1979:I	1977:IV— 1978:IV		1978 I— 1979 I	
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ² ...	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Boston	---	---	185.3	187.7	199.2	202.5	---	7.5	---	7.9

¹ Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available
² Average for 85 representative urban areas based on the 1970 Census of Population
 Source U.S. Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, New Hampshire's civilian labor force increased 3.8 percent, 0.6 percentage point more than in the Nation (table 4). Total employment increased 5.0 percent in the State, 1.2 percentage points more than nationally, to 408,000. New Hampshire's employment increase was the 12th largest among all States and the second largest in the New England region, after Connecticut's.

With employment increasing about 20,000 and the labor force increasing about 16,000, unemployment declined about 4,000 to 14,000. In 1979:I, the unemployment rate in New Hampshire was 3.3 percent

versus 6.3 percent in the Nation. Among all States, New Hampshire's rate was the third lowest; among the New England States, it was the lowest. Over the year, New Hampshire's unemployment rate declined 1.1 percentage points versus 0.5 percentage point in the Nation.

In March 1979, the preliminary unemployment rate in the State was 3.3 percent versus 3.8 percent a year previous. The rate in Manchester, the largest metropolitan area in the State, was 3.6 percent, and the rate in Nashua was 2.8 percent. From year to year, the rate in Nashua was down substantially, and the rate in Manchester was down fractionally.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: New Hampshire

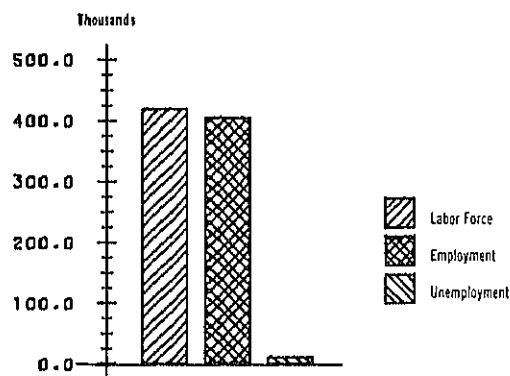


Chart 6.—Unemployment Rates, 1978:I—1979:I

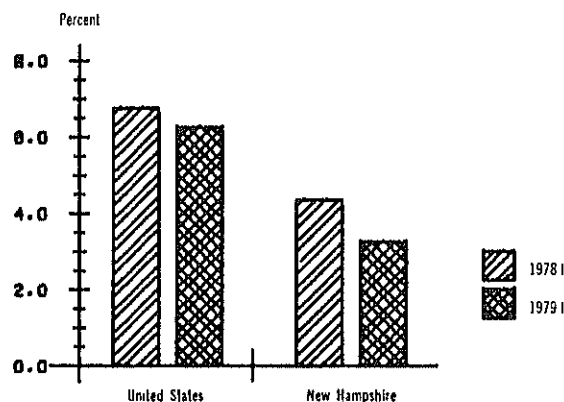


TABLE 4.—Labor Force, United States and New Hampshire

	United States		New Hampshire				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV		1978 I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	350	342	372	364	4.2	6.5	2.9	6.2
Mining	730	896	0	0	1	0	14.4	25.0	22.7	0
Construction	3,784	3,973	19	15	21	17	11.2	11.3	5.0	13.8
Manufacturing	20,064	20,652	106	106	112	112	3.6	5.7	2.9	5.2
Transportation, communication, and public utilities	4,779	4,943	13	13	14	14	4.4	9.6	3.4	8.8
Wholesale and retail trade	18,937	19,549	77	75	84	81	4.5	8.9	3.2	9.0
Finance, insurance, and real estate	4,601	4,790	17	17	18	18	5.2	8.5	4.1	8.5
Services	15,758	16,149	62	62	66	65	4.4	5.9	2.5	6.0
Government	15,435	15,648	56	56	57	57	1.4	2.1	1.4	1.4
Civilian labor force ³	98,106	101,260	422	406	438	421	3.1	3.8	3.2	3.8
Total employed	91,401	94,901	400	388	421	408	3.9	5.1	3.8	5.0
Total unemployed	6,705	6,360	22	18	17	14	-8.8	-20.9	-5.1	-21.9
Percent unemployed	6.8	6.3	5.2	4.4	4.0	3.3	---	---	---	---

¹ Detail may not add to totals because of rounding

² Based on unrounded data

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

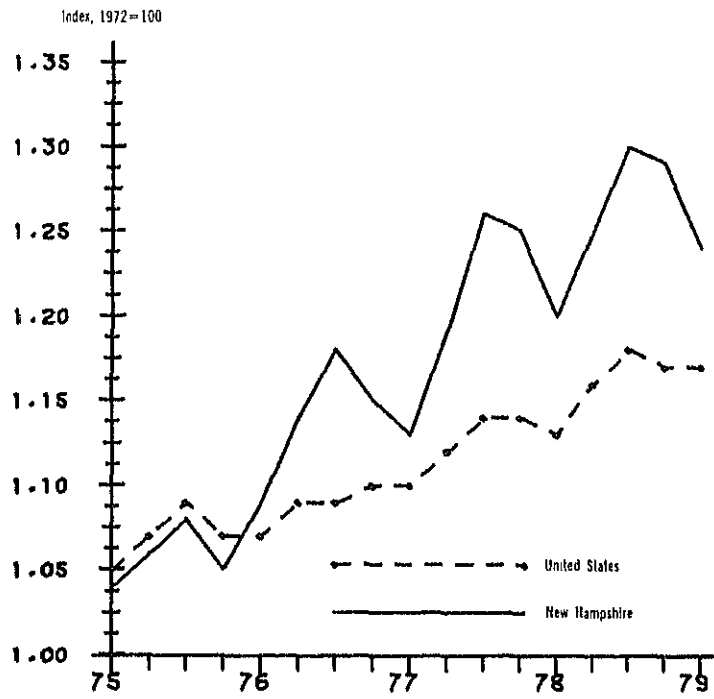


Chart 8.—Civilian Employment

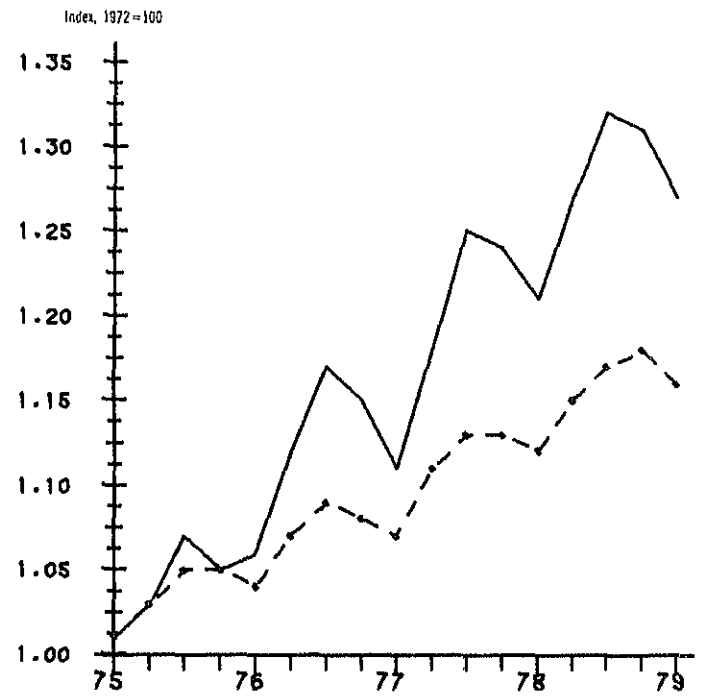


Chart 9.—Unemployment Rate

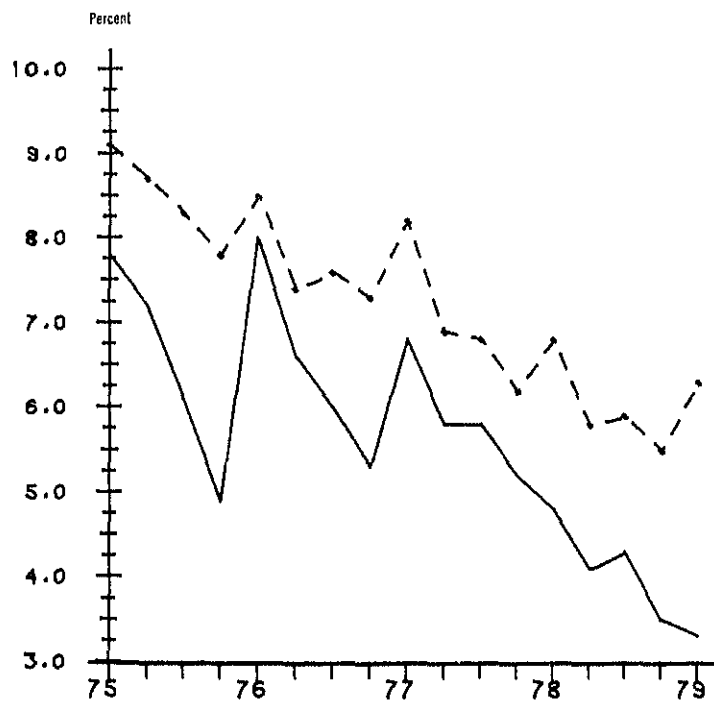
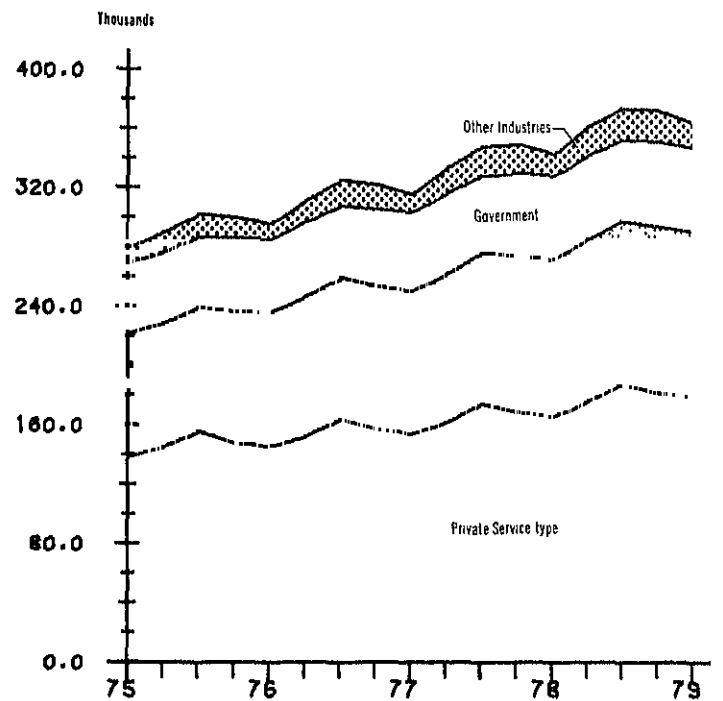


Chart 10.—Industrial Composition of Nonagricultural Employment: New Hampshire



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and New Hampshire

	United States		New Hampshire				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV	1978:I-- 1979:I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	1,592	1,627	1,807	n.a.	15.6	13.6	---	---
Commercial and industrial	202,241	n.a.	373	387	413	n.a.	13.3	10.7	---	---
Loans to individuals	143,356	n.a.	428	438	490	n.a.	18.7	14.4	---	---
Real estate	183,599	n.a.	770	783	880	n.a.	19.6	14.4	---	---
Residential	104,830	n.a.	512	519	588	n.a.	22.1	14.7	---	---
Farms	7,919	n.a.	5	5	5	n.a.	9.6	2.9	---	---
Other	70,851	n.a.	252	258	287	n.a.	17.0	14.0	---	---
Farms, excluding real estate	25,440	n.a.	3	3	3	n.a.	9.5	10.5	---	---
Other	64,581	n.a.	18	16	21	n.a.	7.9	17.3	---	---
Total deposits	911,772	n.a.	2,164	2,151	2,394	n.a.	9.3	10.7	---	---
Demand	344,245	n.a.	658	563	685	n.a.	5.6	4.1	---	---
Time and savings	567,527	n.a.	1,506	1,589	1,709	n.a.	11.9	13.5	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in New Hampshire increased 13.6 percent from 1977:IV to 1978:IV versus a 15.6-percent increase in the Nation (table 5). In 1978:IV, loans totaled \$1.8 billion, for an increase of \$0.2 billion since 1977:IV. The increase in each of three major loan categories was less in New Hampshire than in the Nation. Loans to individuals and real estate loans increased 14.4 percent in New Hampshire versus increases of about 19 percent in the Nation. Similarly, commercial and industrial loans increased 10.7 percent in New Hampshire versus 13.3 percent in the Nation.

Total deposits increased 10.7 percent from 1977:IV to 1978:IV, 1.4 percentage points more than in the Nation. In 1978:IV, deposits in New Hampshire totaled \$2.4 billion, for an increase of \$0.2 billion since 1977:IV. Demand deposits increased 4.1 percent versus 5.6 percent in the Nation. New Hampshire's increase ranked 38th among all State increases. In contrast, time and savings deposits increased 13.5 percent in New Hampshire versus 11.9 percent in the Nation. New Hampshire's increase ranked 14th.

From 1978:I to 1979:I, the total valuation of construction contracts declined 88.6 percent in New Hampshire versus a 19.8-percent increase in the Nation (table 6). Among all States, New Hampshire's decline was the largest. In 1979 I, contracts in the State totaled \$135 million. A \$1.1 billion contract in 1978:I for a nuclear generating plant in Rockingham County raised the total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If the nuclear generating plant is excluded, the total valuation of contracts in the State would have increased 35 percent from 1978:I to 1979:I.

National construction costs increased about 14 percent; if this national increase is representative of cost changes in New Hampshire, the real valuation of construction contracts (excluding the generating plant) increased about 21 percent versus a real increase in the Nation of about 6 percent.

The valuation of nonbuilding contracts declined sharply due to the nuclear generating plant. In the Nation, the valuation of nonbuilding contracts increased 23 percent. Excluding the generating plant, the valuation of nonbuilding contracts in the State was virtually unchanged. In New Hampshire, street and highway contracts—a subcategory of nonbuilding—increased 66.5 percent in valuation versus an increase of 61.2 percent in the Nation.

The new residential housekeeping market was strong in New Hampshire, as it was in most Northeast States. Both the valuation of residential housekeeping contracts and the number of dwelling units started recovered sharply from unusually low levels in 1978:I, when the weather in the Northeast was even more severe than in 1979:I. The valuation of residential housekeeping contracts increased 49.1 percent versus 11.8 percent in the Nation. Among all States, New Hampshire's increase ranked seventh; among the New England States, increases were larger only in Connecticut and Massachusetts. The number of dwelling units started increased 45.2 percent (380 units) in the State versus 2.6 percent in the Nation. Among all States, New Hampshire's gain ranked fifth; among the New England States, only Connecticut's increase was stronger. In contrast, the valuation of contracts for additions and alterations to residential housekeeping units increased only 10.2 percent in New Hampshire versus 17.9 percent in the Nation. Among all States, New Hampshire's increase ranked 39th.

The valuation of nonresidential contracts increased 69.3 percent in the State versus 28.0 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

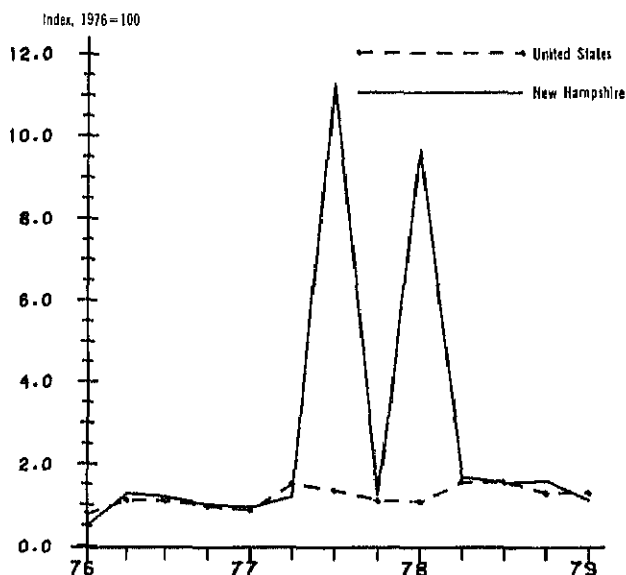


Chart 15.—Construction Contracts—Valuation of Contracts by Type: New Hampshire

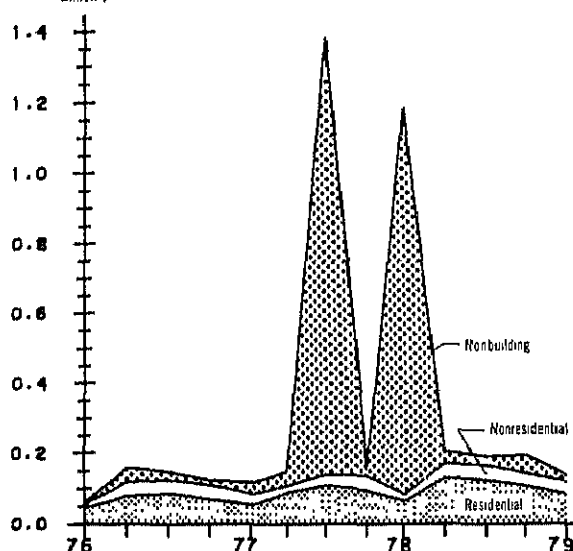


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

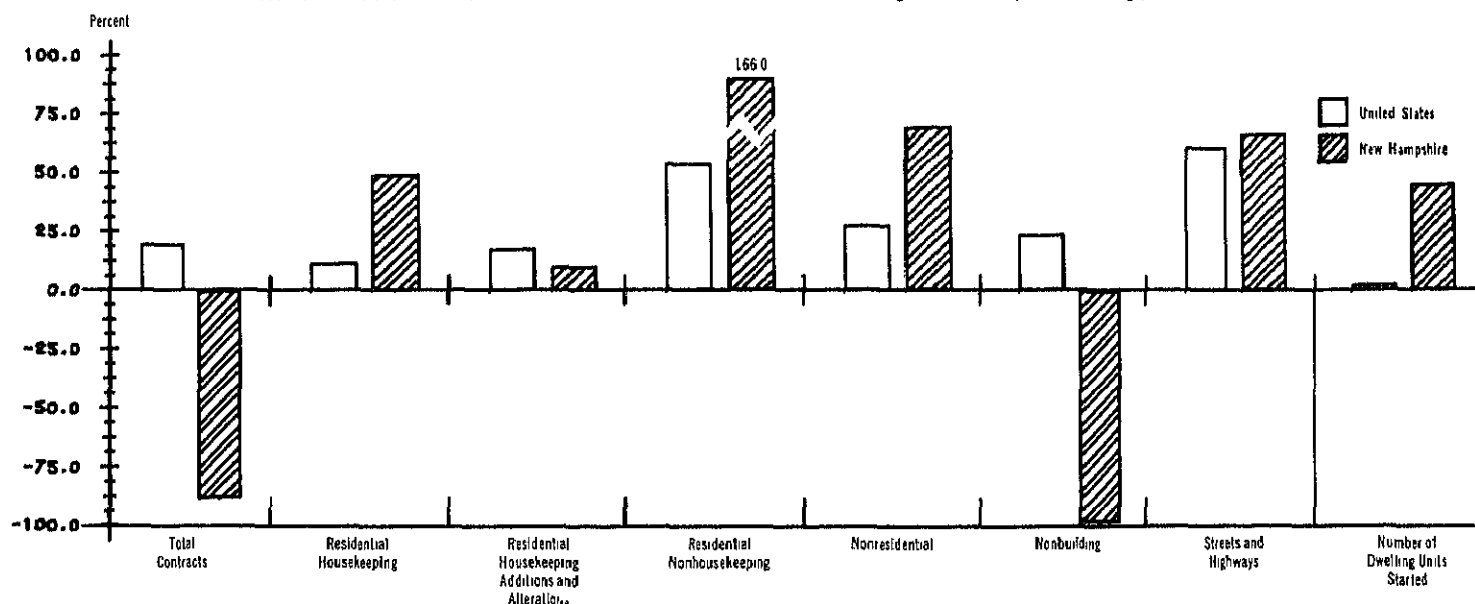


TABLE 6.—Construction Contracts, United States and New Hampshire¹

	United States		New Hampshire				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	153,299	1,182,682	193,462	134,516	16.8	26.2	19.8	-88.6
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	36,949	28,185	37,122	31,055	14.6	5	17.9	10.2
All other contracts										
Number of contracts	53,028	53,454	188	118	199	159	-9.3	5.9	8	34.7
Valuation (thousands of dollars)	32,202,931	38,675,376	116,350	1,154,497	156,340	103,461	17.3	34.4	20.1	-91.0
Floor area (thousands of square feet)	807,538	904,811	3,744	1,975	3,657	2,917	10.3	-2.3	12.0	47.7
Residential housekeeping										
Number of contracts	13,592	14,399	48	34	42	41	-4.3	-12.5	5.9	20.6
Number of dwelling units	404,171	414,826	1,582	841	1,659	1,221	-2	4.9	2.6	45.2
Valuation (thousands of dollars)	13,806,696	15,431,523	56,522	33,755	62,838	50,324	15.6	11.2	11.8	49.1
Floor area (thousands of square feet)	546,445	571,860	2,265	1,347	2,422	1,844	10.7	6.9	4.7	36.8
Residential nonhousekeeping										
Number of contracts	441	464	0	1	3	2	-4	---	5.2	100.0
Valuation (thousands of dollars)	327,201	504,158	0	377	5,850	1,003	54.9	---	54.1	166.0
Floor area (thousands of square feet)	8,179	11,483	0	5	169	40	34.7	---	40.4	654.7
Nonresidential										
Number of contracts	25,282	23,514	81	47	97	66	-12.0	19.8	-7.0	40.4
Valuation (thousands of dollars)	9,056,146	11,595,243	41,754	20,542	37,080	34,771	16.3	-11.2	28.0	69.3
Floor area (thousands of square feet)	252,915	321,468	1,479	622	1,066	1,033	8.7	-27.9	27.1	66.0
Nonbuilding										
Number of contracts	13,713	15,077	59	36	57	50	-9.1	-3.4	9.9	38.9
Valuation (thousands of dollars)	9,012,888	11,144,452	18,074	1,099,823	50,572	17,363	20.6	179.8	23.7	-98.4
Streets and Highways										
Number of contracts	3,989	4,750	12	10	12	9	-17.8	0	19.1	-10.0
Valuation (thousands of dollars)	1,399,453	2,255,221	4,195	1,799	10,673	2,996	-18.1	154.4	61.2	66.5

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for New Hampshire are not available.

TABLE 7.—Retail Sales, United States and New Hampshire

	United States		New Hampshire				U S	State	U.S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted							Percent change		
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a	n.a	n.a	n.a	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a	n.a	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and New Hampshire

	United States		New Hampshire				U S	State	U.S	State
	1978 I	1979 I	1977 IV	1978 I	1978.IV	1979-I	1977:IV— 1978:IV		1978:I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	366	332	389	n.a.	13.2	6.3	---	---
Total number of business failures	1,729	n.a.	8	4	9	n.a.	-4.9	12.5	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	1,327	321	3,368	n.a.	13.7	153.8	---	---
Average liability per failure (thousands of dollars)	404	n.a.	166	80	374	n.a.	19.4	125.3	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	3	0	n.a.	6.0	---	---	---
Construction	279	n.a.	3	0	3	n.a.	-8.2	.0	---	---
Wholesale trade	205	n.a.	1	0	4	n.a.	-6.3	300.0	---	---
Retail trade	769	n.a.	3	1	1	n.a.	-4	-66.7	---	---
Commercial services	205	n.a.	1	0	1	n.a.	-23.5	.0	---	---

n.a.: Data not available.
 Source: Dun & Bradstreet, Inc.

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NEW JERSEY

Highlights

1978:I to 1979:I

Personal income	—Up 10.8%, 1.8 percentage points less than in U.S. —Weak increases in manufacturing and most private service-type industries
Consumer prices	—Up 7.1% in New York City-Northeast New Jersey area and 9.0% in Philadelphia vs. 9.9% in U.S.
Employment	—Up 6.2% vs. 3.8% in U.S., to 3.2 million
Unemployment	—Up about 13,000, to 270,000 —Rate down to 7.7% of labor force vs. 6.3% in U.S.
Construction	—Total valuation of contracts down 45.0% vs. an increase of 19.8% in U.S., to \$937 million —Large decline in valuation of non-building contracts —Number of dwelling-unit starts up 61.7% vs. 2.6% in U.S., to 7,743
Retail sales	—Up 27.6% vs. 15.8% in U.S., to \$7.1 billion

TABLE 1.—Summary of Economic Indicators, United States and New Jersey

	United States		New Jersey				U S	State	U S	State
	1978 I	1979:I	1977 IV	1978:I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	60,382	61,884	66,965	68,555	12.6	10.9	12.6	10.8
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	35,744	36,769	39,723	40,866	12.6	11.1	12.8	11.1
Civilian employment (thousands)	91,401	94,901	3,148	3,059	3,331	3,249	3.9	5.8	3.8	6.2
Unemployment (thousands)	6,705	6,360	271	257	228	270	-8.8	-15.7	-5.1	5.1
Percent unemployed (unemployment/labor force)	6.8	6.3	7.9	7.7	6.4	7.7	---	---	---	---
Total loans (millions of dollars)	619,218	n a	15,533	15,853	17,699	n a.	15.6	13.9	---	---
Total deposits (millions of dollars)	911,772	n a.	25,710	25,084	27,296	n a.	9.3	6.2	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	1,090,407	1,701,703	1,188,659	936,630	16.8	9.0	19.8	-45.0
Dwelling units started (number)	404,171	414,826	9,143	4,789	9,813	7,743	-2	7.3	2.6	61.7
Total retail sales (millions of dollars)	167,940	194,529	7,020	5,562	8,306	7,098	11.2	18.3	15.8	27.6
New business incorporations (number)	115,247	n a.	4,636	4,987	5,116	n a.	13.2	10.4	---	---
Business failures (number)	1,729	n a	115	105	102	n a.	-4.9	-11.3	---	---
Consumer Price Index (1967=100):										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
New York City—Northeast New Jersey	---	---	188.3	190.8	200.0	204.4	---	6.2	---	7.1
Philadelphia	---	---	187.1	188.6	200.6	205.5	---	7.2	---	9.0

n a Data not available.

Source. See tables 2 through 8.

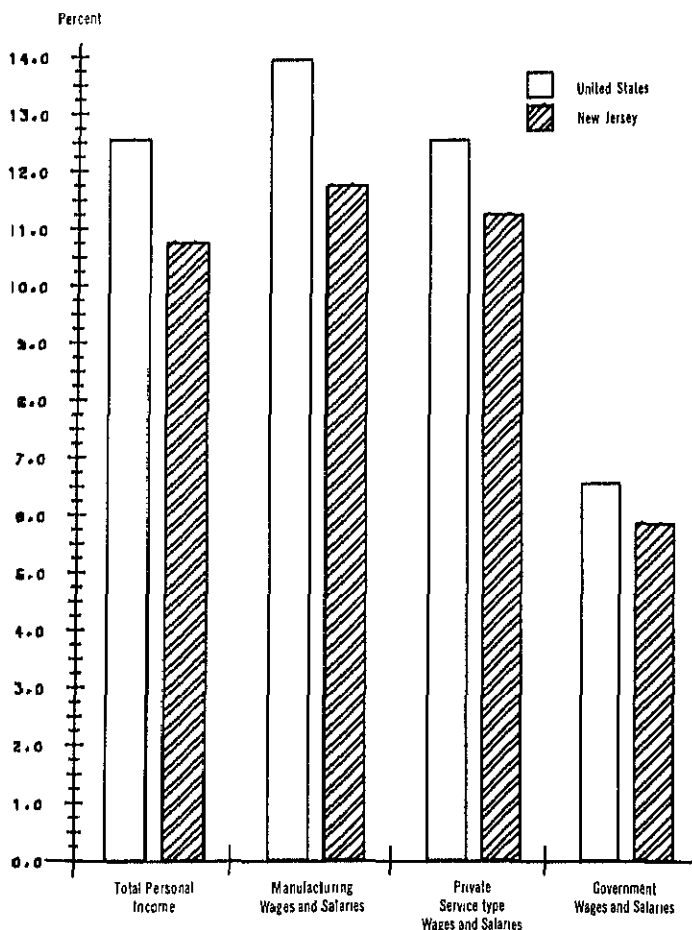
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.8 percent from 1978:I to 1979:I, 1.8 percentage points less than in the Nation (table 2). In 1979:I, New Jersey's total personal income was \$68.6 billion, for an increase of \$6.7 billion since 1978:I. Among all States, only nine had smaller increases than New Jersey. The income increase in each Midcast State was either near or below the national average. Changes in most major industries in New Jersey were below those registered in corresponding industries nationally.

Consumer prices from 1978:I to 1979:I increased 7.1 percent in the New York City-Northeast New Jersey area and 9.0 percent in Philadelphia; both of these increases were below the national increase of 9.9 percent (table 3). If the average price increase in these areas—8.0 percent—is used as an indicator for price movements in the State, real total personal income in New Jersey increased 2.8 percent from year to year versus 2.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I–1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 11.1 percent in New Jersey, 1.7 percentage points less than in the Nation. In 1979:I, payrolls totaled \$40.9 billion, for an increase of \$4.1 billion since 1978:I.

Manufacturing payrolls in the State increased 11.8 percent versus 14.0 percent in the Nation. Weakness extended to both durable and nondurable goods manufacturing. Manufacturing payrolls accounted for more than 31 percent of New Jersey's total payrolls in 1979:I, compared with a national weight of 28 percent.

Private service-type payrolls increased 11.3 percent in New Jersey versus 12.6 percent in the Nation. In three of the four component industries, the payroll increase was less in the State than in the Nation; weakness was particularly pronounced in transportation-communication-public utilities. Payrolls in services, in contrast, increased 11.7 percent in both the State and Nation.

Government payrolls were up 5.9 percent in New Jersey versus 6.6 percent in the Nation. State and local payrolls increased 5.0 percent versus 6.1 percent nationally. In contrast, the increase in Federal payrolls was somewhat larger in New Jersey than in the Nation.

Construction was the only major private industry that was stronger in New Jersey than in the Nation. Construction payrolls increased 26.5 percent in the State versus 21.3 percent in the Nation. Among all States, New Jersey's increase ranked 11th.

Chart 2.—Consumer Price Index, Percent Change, 1978:I–1979:I

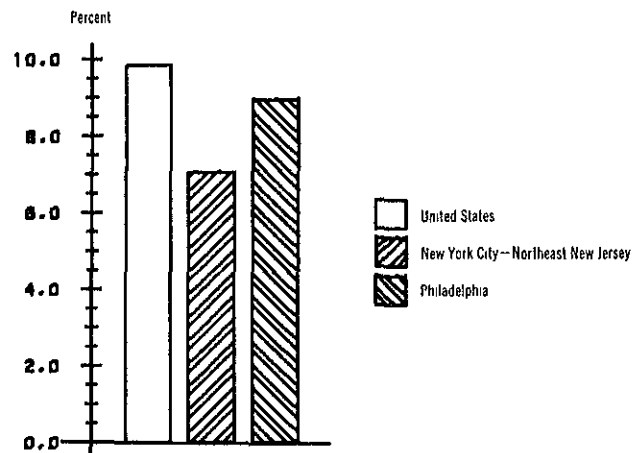


Chart 3.—Total Personal Income
[Seasonally adjusted]

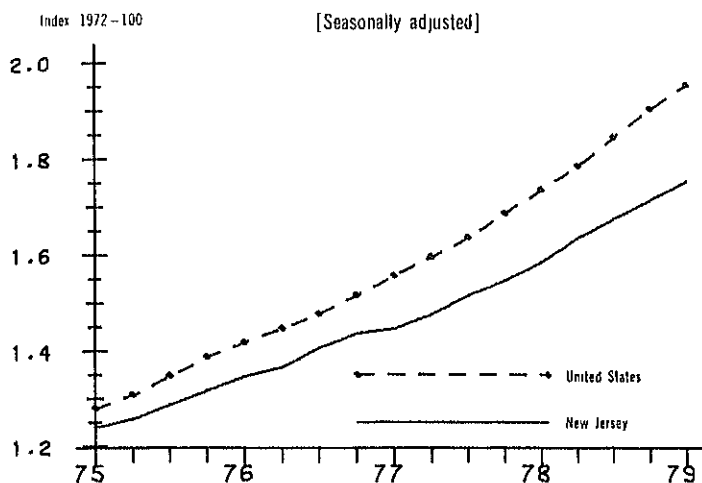


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

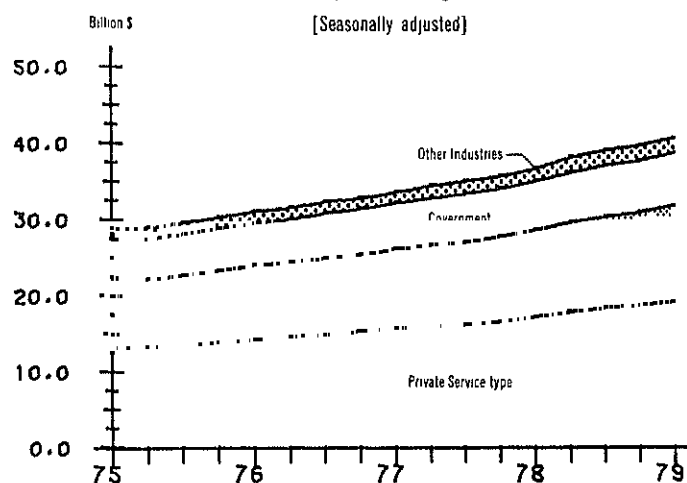


TABLE 2.—Personal Income, United States and New Jersey

	United States		New Jersey				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	60,382	61,884	66,965	68,555	12.6	10.9	12.6	10.8
Farm personal income	32,083	40,141	112	113	127	134	26.3	14.0	25.1	18.2
Nonfarm personal income	1,592,582	1,789,374	60,271	61,771	66,838	68,421	12.3	10.9	12.4	10.8
Total personal income	1,624,665	1,829,515	60,382	61,884	66,965	68,555	12.6	10.9	12.6	10.8
Wage and salary disbursements	1,042,716	1,176,598	35,744	36,769	39,723	40,866	12.6	11.1	12.8	11.1
Other labor income	99,957	115,833	3,486	3,646	3,978	4,121	16.4	14.1	15.9	13.0
Proprietors' income	108,808	126,535	2,733	2,791	3,098	3,115	18.9	13.4	16.3	11.6
Farm	24,448	31,221	34	36	44	47	31.3	30.9	27.7	30.8
Nonfarm	84,360	95,314	2,699	2,756	3,054	3,068	15.3	13.2	13.0	11.3
Dividends, interest, and rent	221,191	250,595	8,024	8,242	8,959	9,255	12.8	11.7	13.3	12.3
Transfer payments	219,202	238,794	7,703	7,840	8,336	8,473	8.2	8.2	8.9	8.1
State unemployment insurance benefits	9,997	8,023	739	729	662	640	-30.3	-10.4	-19.7	-12.2
Less personal contributions	66,792	78,351	2,237	2,400	2,532	2,761	15.1	13.2	17.3	15.1
Plus residence adjustment	-417	-489	4,930	4,995	5,404	5,486	—	—	—	—
Wage and salary disbursements	1,042,716	1,176,598	35,744	36,769	39,723	40,866	12.6	11.1	12.8	11.1
Farm	7,215	8,422	71	70	75	79	10.6	6.4	16.7	12.2
Nonfarm	1,035,501	1,168,176	35,674	36,699	39,648	40,787	12.6	11.1	12.8	11.1
Mining	12,013	19,166	39	40	48	50	33.9	24.7	59.5	25.5
Construction	56,564	68,593	1,438	1,445	1,795	1,828	20.1	24.8	21.3	26.5
Manufacturing	285,735	325,636	11,221	11,466	12,280	12,818	13.3	9.4	14.0	11.8
Durable goods	182,321	211,944	5,591	5,662	6,232	6,493	15.2	11.5	16.2	14.7
Nondurable goods	103,414	113,692	5,630	5,804	6,048	6,324	10.0	7.4	9.9	9.0
Private service type	473,132	532,823	16,596	17,274	18,733	19,229	13.1	12.9	12.6	11.3
Transportation, communication, and public utilities	79,598	88,755	2,983	3,255	3,398	3,528	11.3	13.9	11.5	8.4
Wholesale and retail trade	177,331	201,608	6,338	6,522	7,163	7,310	14.1	13.0	13.7	12.1
Finance, insurance, and real estate	55,930	63,373	1,731	1,771	1,943	1,997	13.2	12.3	13.3	12.7
Services	160,273	179,087	5,545	5,725	6,229	6,394	12.7	12.3	11.7	11.7
Government	204,558	218,008	6,303	6,390	6,705	6,769	6.9	6.4	6.6	5.9
Federal	68,698	73,916	1,620	1,599	1,715	1,739	7.1	5.9	7.6	8.7
State and local	135,860	144,092	4,683	4,792	4,990	5,031	6.8	6.6	6.1	5.0
Other	3,499	3,950	78	84	87	93	14.6	12.0	12.9	10.4

1 Detail may not add to totals because of rounding
2 Based on unrounded data

Source U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and New Jersey¹

	United States		New Jersey				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
							8.9	—	9.9	—
U.S. city average ^a	188.4	207.0	—	—	—	—	—	6.2	—	7.1
New York City—Northeast New Jersey ..	—	—	188.3	190.8	200.0	204.4	—	7.2	—	9.0
Philadelphia	—	—	187.1	188.6	200.6	205.5	—	—	—	—

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available
2. Average for 85 representative urban areas based on the 1970 Census of Population.
Source U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, New Jersey's civilian labor force increased 6.1 percent, 2.9 percentage points more than in the Nation (table 4). Among all States, New Jersey's increase was the second largest, after Wyoming's. Total employment in New Jersey increased 6.2 percent, 2.4 percentage points more than nationally, to 3.2 million. Among all States, New Jersey's increase was the third largest, after Wyoming's and Arizona's.

With the labor force increasing about 203,000 and employment increasing about 190,000, unemployment increased about 13,000, to 270,000. New Jersey's unemployment rate in 1979:I—7.7 percent—was

the ninth highest among all States. All States in the Mideast region had unemployment rates that exceeded the national average of 6.3 percent.

In March 1979, the preliminary unemployment rate in the State was 7.2 percent, virtually unchanged from a year previous. March 1979 rates in the State's major metropolitan areas ranged from 5.4 percent in Trenton to 11.6 percent in Atlantic City. The rate in Newark, which accounted for more than one-fourth of New Jersey's total labor force in March 1979, was 6.6 percent. From March 1978 to March 1979, rates in most major metropolitan areas in the State were either little changed or up somewhat.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: New Jersey

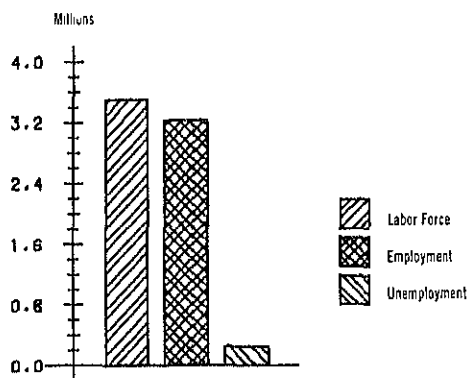


Chart 6.—Unemployment Rates, 1978:I—1979:I

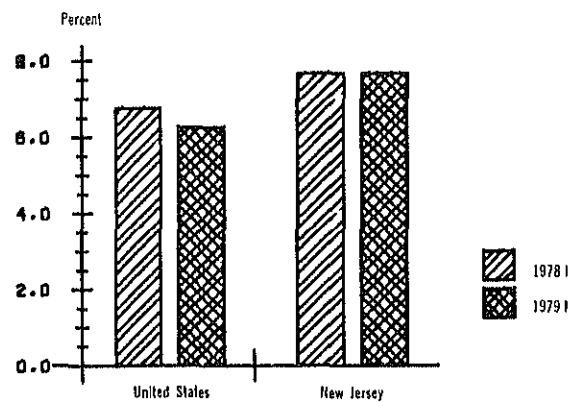


TABLE 4.—Labor Force, United States and New Jersey

	United States		New Jersey				U.S.	State	U.S.	State
	1978 I	1979 I	1977:IV	1978 I	1978 IV	1979:I	1977 IV— 1978:IV		1978 I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	2,903	2,851	2,975	2,957	4.2	2.5	2.9	3.7
Mining	730	896	3	3	3	2	14.4	-9.7	22.7	-11.1
Construction	3,784	3,973	106	88	116	100	11.2	9.7	5.0	12.7
Manufacturing	20,084	20,652	782	772	793	792	3.6	1.4	2.9	2.6
Transportation, communication, and public utilities	4,779	4,943	183	187	192	190	4.4	4.6	3.4	2.0
Wholesale and retail trade	18,937	19,549	654	629	669	660	4.5	2.3	3.2	5.0
Finance, insurance, and real estate	4,601	4,790	145	146	151	149	5.2	4.4	4.1	1.9
Services	15,758	16,149	527	521	542	547	4.4	2.8	2.5	5.0
Government	15,435	15,648	502	506	509	517	1.4	1.4	1.4	2.3
Civilian labor force ³	98,106	101,260	3,419	3,315	3,559	3,519	3.1	4.1	3.2	6.1
Total employed	91,401	94,901	3,148	3,059	3,331	3,249	3.9	5.8	3.8	6.2
Total unemployed	6,705	6,360	271	257	228	270	-8.8	-15.7	-5.1	5.1
Percent unemployed	6.8	6.3	7.9	7.7	6.4	7.7	---	---	---	---

¹ Detail may not add to totals because of rounding

² Based on unrounded data

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

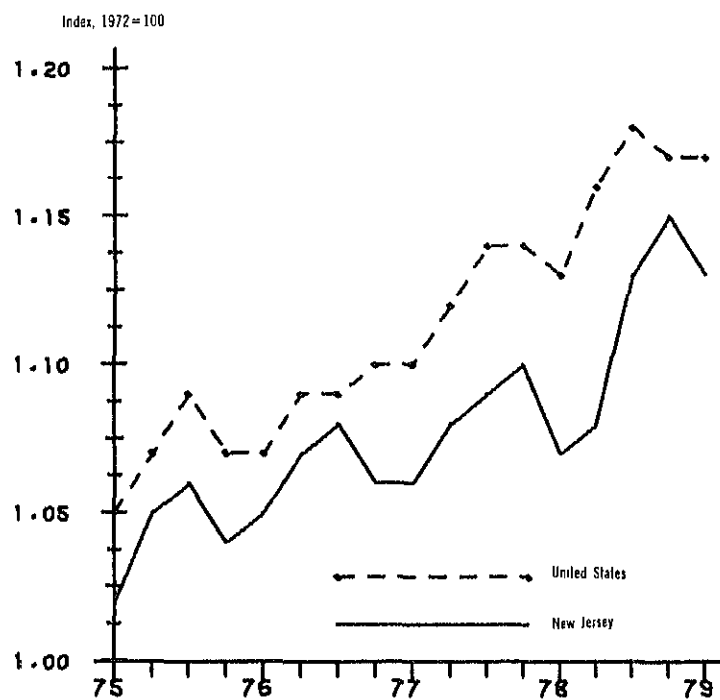


Chart 8.—Civilian Employment

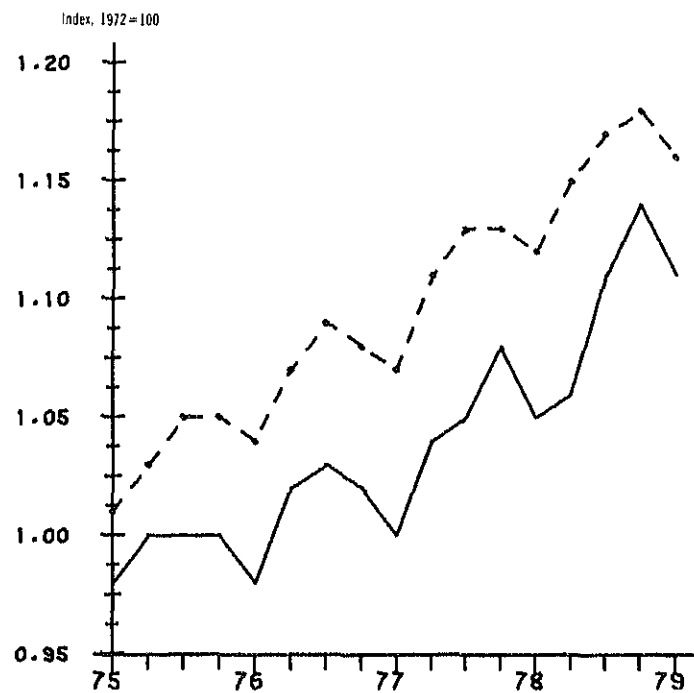


Chart 9.—Unemployment Rate

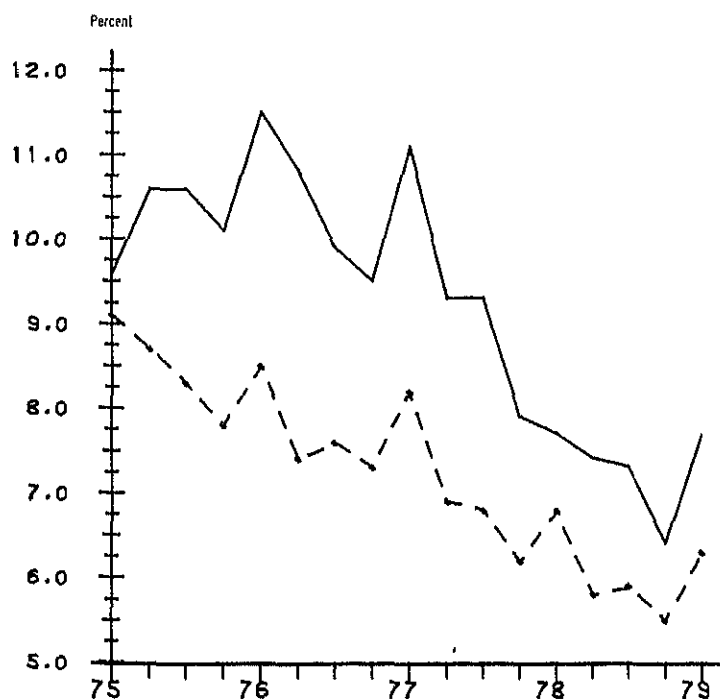
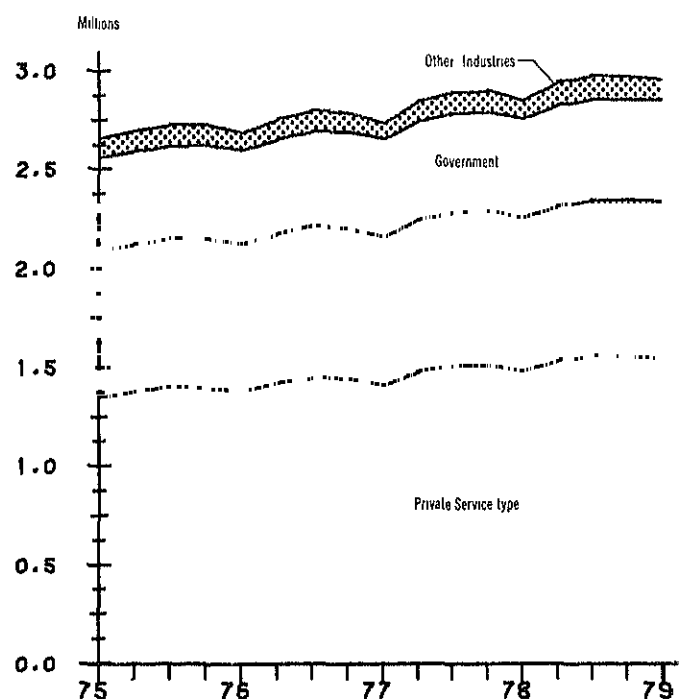


Chart 10.—Industrial Composition of Nonagricultural Employment: New Jersey



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and New Jersey

	United States		New Jersey				U S	State	U S	State
	1978 I	1979 I	1977.IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a	15,533	15,853	17,699	n.a.	15.6	13.9	---	---
Commercial and industrial	202,241	n.a	4,071	4,255	4,578	n.a	13.3	12.5	---	---
Loans to individuals	143,356	n.a	3,739	3,793	4,374	n.a	18.7	17.0	---	---
Real estate	183,599	n.a	6,884	7,044	7,918	n.a	19.6	15.0	---	---
Residential	104,830	n.a	4,332	4,435	5,036	n.a	22.1	16.3	---	---
Farms	7,919	n.a	16	16	16	n.a	9.6	-3.8	---	---
Other	70,851	n.a.	2,536	2,593	2,866	n.a	17.0	13.0	---	---
Farms, excluding real estate	25,440	n.a	11	12	10	n.a	9.5	-9.2	---	---
Other	64,581	n.a.	828	749	818	n.a.	7.9	-1.2	---	---
Total deposits	911,772	n.a.	25,710	25,084	27,296	n.a.	9.3	6.2	---	---
Demand	344,245	n.a	9,430	8,475	9,908	n.a	5.6	5.1	---	---
Time and savings	567,527	n.a	16,280	16,608	17,388	n.a	11.9	6.8	---	---

¹ Detail may not add to totals because of rounding

² Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in New Jersey increased 13.9 percent from 1977:IV to 1978:IV versus an increase of 15.6 percent in the Nation (table 5). In 1978:IV, New Jersey's loans totaled \$17.7 billion, for an increase of \$2.2 billion since 1977:IV. Real estate loans increased 15.0 percent in New Jersey versus 19.6 percent in the Nation. Similarly, increases in loans to individuals and commercial and industrial loans were smaller in New Jersey than in the Nation.

Total deposits increased 6.2 percent from 1977:IV to 1978:IV, 3.1 percentage points less than in the Nation. Among all States, only five had increases smaller than New Jersey's. Weakness centered in time and savings deposits, which increased 6.8 percent versus 11.9 percent in the Nation. Among all State increases, New Jersey's was the smallest. In contrast, demand deposits increased 5.1 percent in the State, only slightly less than nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts declined 45.0 percent in New Jersey versus an increase of 19.8 percent in the Nation (table 6). In 1979:I, the total valuation of contracts in New Jersey was \$937 million, for a decline of \$765 million since 1978:I. A \$900 million contract in 1978:I for an electric generating plant in Orange County raised the total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. However, a \$55 million contract in 1979:I for a coliseum-arena in Bergen County partly offset the distorting effect of the generating plant contract. If both contracts are excluded, the total valuation of contracts in the State would have increased about 10 percent from year to year.

Nationally, construction costs increased about 14 percent; if this national increase is representative of cost changes in New Jersey, the real valuation of construction contracts (including both the generating plant and the coliseum) would have declined about 60 percent versus an increase of about 6 percent in the Nation. Excluding both large contracts, the real valuation of contracts in New Jersey would have declined about 4 percent.

The valuation of nonbuilding contracts declined 90.1 percent in New Jersey and increased 23.7 percent in the Nation. The decline mainly reflected the contract for the electric generating plant in 1978:I. Excluding the generating plant contract, the valuation of nonbuilding contracts in New Jersey still would have declined about 33 percent. In

contrast, the valuation of the street and highway component of nonbuilding contracts increased 74.9 percent in the State versus 61.2 percent in the Nation.

The valuation of nonresidential contracts increased 24.8 percent in New Jersey and 28.0 percent in the Nation. The State's increase was traceable to the contract for the coliseum-arena, excluding it, the valuation of nonresidential contracts would have been virtually unchanged over the year.

The new residential housekeeping market was strong in New Jersey, as it was in most Northeast States. Both the valuation of residential housekeeping contracts and the number of dwelling units started recovered sharply from unusually low levels in 1978:I, when the weather in the Northeast was even more severe than in 1979:I. The valuation of residential housekeeping contracts increased 66.3 percent in New Jersey versus 11.8 percent in the Nation. Only two States—West Virginia and Florida—had larger increases. The number of dwelling units started increased 61.7 percent, or 2,954 units, to 7,743 units. The increase in the Nation was only 2.6 percent. Among all States, New Jersey's increase was the largest. In contrast, the valuation of contracts for additions and alterations to residential housekeeping units increased only 1.6 percent in New Jersey versus an increase of 17.9 percent in the Nation. Among all States, New Jersey's increase ranked 48th; the two States that ranked below New Jersey—Pennsylvania and Hawaii—had declines.

Chart 14.—Construction Contracts—Total Valuation

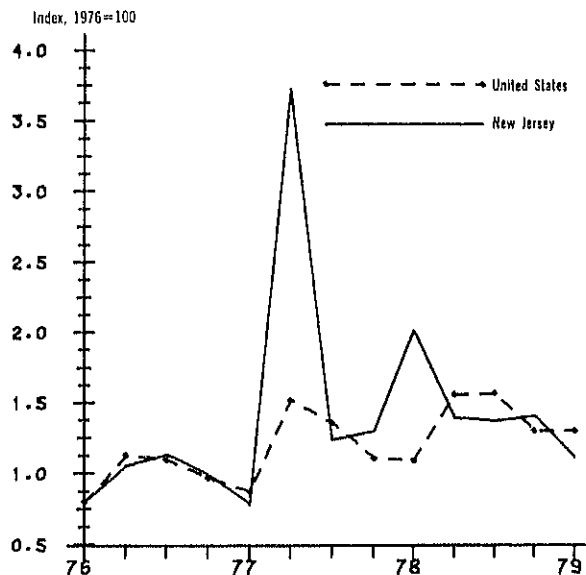


Chart 15.—Construction Contracts—Valuation of Contracts by Type: New Jersey

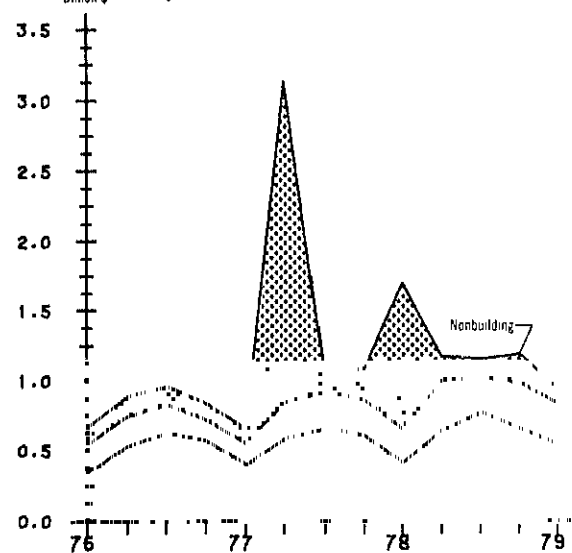


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

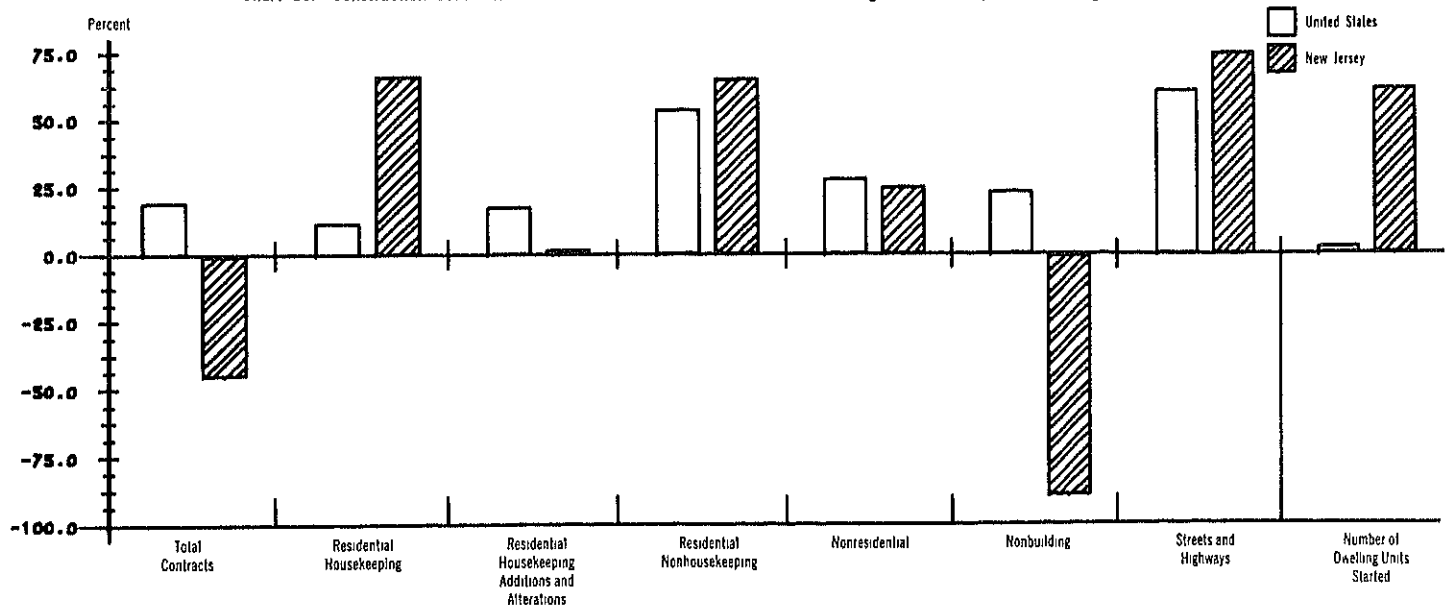


TABLE 6.—Construction Contracts, United States and New Jersey¹

	United States		New Jersey				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	1,090,407	1,701,703	1,188,659	936,630	16.8	9.0	19.8	-45.0
Residential housekeeping additions and alterations Valuation (thousands of dollars)	5,904,299	6,962,771	288,503	227,381	286,717	231,118	14.6	-6	17.9	1.6
All other contracts										
Number of contracts	53,028	53,454	1,856	1,200	1,564	1,075	-9.3	-15.7	8	-10.4
Valuation (thousands of dollars)	32,202,931	38,675,376	801,904	1,474,322	901,942	705,512	17.3	12.5	20.1	-52.1
Floor area (thousands of square feet)	807,538	904,811	18,992	12,528	21,195	18,187	10.3	11.6	12.0	45.2
Residential housekeeping										
Number of contracts	13,592	14,399	191	149	161	148	-4.3	-15.7	5.9	-7
Number of dwelling units	404,171	414,826	9,143	4,789	9,813	7,743	-2	7.3	2.6	61.7
Valuation (thousands of dollars)	13,806,696	15,431,523	302,656	175,541	351,348	291,837	15.6	16.1	11.8	66.3
Floor area (thousands of square feet)	546,445	571,850	10,902	6,261	12,788	10,020	10.7	17.3	4.7	60.0
Residential nonhousekeeping										
Number of contracts	441	464	20	10	20	10	-4	.0	5.2	0
Valuation (thousands of dollars)	327,201	504,158	13,437	11,968	14,626	19,800	54.9	8.8	54.1	65.4
Floor area (thousands of square feet)	8,179	11,483	313	170	350	508	34.7	11.8	40.4	198.2
Nonresidential										
Number of contracts	25,282	23,514	961	701	776	529	-12.0	-19.3	-7.0	-24.5
Valuation (thousands of dollars)	9,056,146	11,595,243	250,879	231,626	326,225	289,095	16.3	30.0	28.0	24.8
Floor area (thousands of square feet)	252,915	321,468	7,777	6,096	8,057	7,659	8.7	3.6	27.1	25.6
Nonbuilding										
Number of contracts	13,713	15,077	684	340	607	388	-9.1	-11.3	9.9	14.1
Valuation (thousands of dollars)	9,012,888	11,144,452	234,932	1,055,187	209,743	104,780	20.6	-10.7	23.7	-90.1
Streets and Highways										
Number of contracts	3,989	4,750	243	72	182	120	-17.8	-25.1	19.1	66.7
Valuation (thousands of dollars)	1,399,453	2,255,221	88,804	20,293	33,129	35,494	-18.1	-62.7	61.2	74.9

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE: Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in New Jersey totaled \$7.1 billion in 1979:I, up 27.6 percent increase (table 7). In 1979:I, nondurable goods accounted for \$4.7 billion (\$1.5 billion) since 1978:I, compared with a 15.8-percent national lion of the total, and durable goods accounted for \$2.4 billion.

TABLE 7.—Retail Sales, United States and New Jersey

	United States		New Jersey				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	7,020	5,562	8,306	7,098	11.2	18.3	15.8	27.6
Durable goods	55,388	68,203	n.a.	n.a.	2,900	2,386	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	5,406	4,712	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

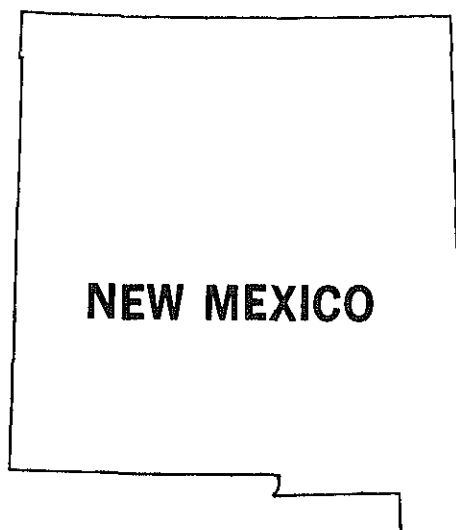
TABLE 8.—Business Incorporations and Failures, United States and New Jersey

	United States		New Jersey				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	4,636	4,987	5,116	n.a.	13.2	10.4	---	---
Total number of business failures	1,729	n.a.	115	105	102	n.a.	-4.9	-11.3	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	43,519	56,659	46,292	n.a.	13.7	6.4	---	---
Average liability per failure (thousands of dollars)	404	n.a.	378	540	454	n.a.	19.4	20.1	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	16	23	25	n.a.	6.0	56.3	---	---
Construction	279	n.a.	15	6	7	n.a.	-8.2	-53.3	---	---
Wholesale trade	205	n.a.	12	13	14	n.a.	-6.3	16.7	---	---
Retail trade	769	n.a.	51	47	44	n.a.	-4	-13.7	---	---
Commercial services	205	n.a.	21	16	17	n.a.	-23.5	-19.0	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE: This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 13.8% vs. 12.6% in U.S., to \$8.5 billion
- Manufacturing payrolls up 23.0% vs. 14.0% in U.S.
- Government payrolls up 10.3% vs. 6.6% in U.S.

Employment

- Up 3.1% vs. 3.8% in U.S., to 486,000

Unemployment

- Up 2,000, to 34,000
- Rate up 0.3 percentage point, to 6.6% of labor force vs. 6.3% in U.S.

Construction

- Total valuation of contracts down 1.2% vs. 19.8% gain in U.S., to \$260 million
- Valuation of nonbuilding contracts unchanged, at \$54 million, vs. 23.7% gain in U.S.
- Number of dwelling-unit starts down 11.6% vs. 2.6% gain in U.S., to 3,017

TABLE 1.—Summary of Economic Indicators, United States and New Mexico

	United States		New Mexico				U.S.	State	U.S.	State
	1978 I	1979:I	1977 IV	1978 I	1978:IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	7,271	7,494	8,289	8,532	12.6	14.0	12.6	13.8
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	4,667	4,845	5,358	5,538	12.6	14.8	12.8	14.3
Civilian employment (thousands)	91,401	94,901	478	471	506	486	3.9	5.8	3.8	3.1
Unemployment (thousands)	6,705	6,360	34	32	29	34	-8.8	-15.5	-5.1	7.7
Percent unemployed (unemployment/labor force)	6.8	6.3	6.7	6.3	5.4	6.6	---	---	---	---
Total loans (millions of dollars)	619,218	n a	2,426	2,516	2,844	n a.	15.6	17.2	---	---
Total deposits (millions of dollars)	911,772	n a	3,831	3,876	4,295	n a	9.3	12.1	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	288,074	262,906	275,363	259,679	16.8	-4.4	19.8	-1.2
Dwelling units started (number)	404,171	414,826	3,462	3,412	2,530	3,017	-2	-26.9	2.6	-11.6
Total retail sales (millions of dollars)	167,940	194,529	n a	n a.	n a	n a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n a.	427	562	605	n a.	13.2	41.7	---	---
Business failures (number)	1,729	n a.	4	0	0	n a	-4.9	---	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n a Data not available.

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in New Mexico increased 13.8 percent from 1978:I to 1979:I, leading the Nation's 12.6-percent increase (table 2). In 1979:I, New Mexico's personal income totaled \$8.5 billion, up \$1.0 billion since 1978:I.

Wage and salary disbursements (payrolls) increased 14.3 percent from year to year, 1.5 percentage points above the national average. Manufacturing payrolls increased 23.0 percent, outpacing the Nation's gain by 9 percentage points and ranking fourth among all State gains. Payrolls in both durables and nondurables manufacturing increased at much higher rates than national counterparts. In 1979:I, New Mexico's manufacturing payrolls accounted for just over 5 percent of total personal income, less than in most States; nationally, manufacturing payrolls accounted for almost 18 percent of personal income.

Both Federal Government and State and local government payrolls registered 10.3-percent gains from year to year; both gains ranked among the largest in the Nation. Transportation-communication-public utilities payrolls increased 17.6 percent, outpacing the national gain of 11.5 percent. Payrolls in trade, which were larger than in any other industry in the State except Federal Government, increased 14.4 percent, compared with a 13.7-percent gain nationally.

Mining payrolls increased 35.3 percent, New Mexico's largest payroll gain from year to year. The State's gain lagged the Nation's 59.5-percent gain; the latter gain reflected the return to work of coal miners in major coal mining States following a strike in late 1977 and early 1978.

Construction payrolls increased 10.1 percent, a gain that was exceeded in 46 States. Services payrolls increased 8.1 percent, the smallest year-to-year gain in New Mexico. The gain in services lagged the national average gain of 11.7 percent and was smaller in only North Dakota and West Virginia.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

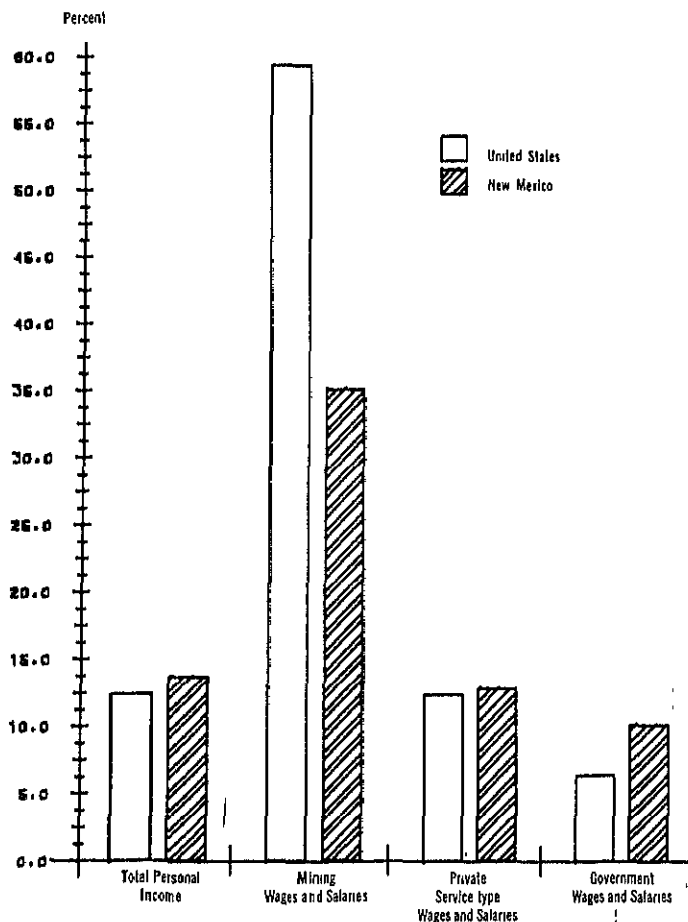


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

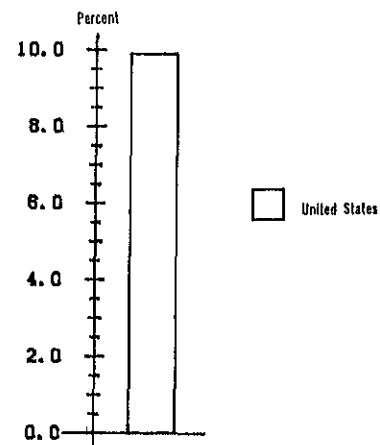


Chart 3.—Total Personal Income
[Seasonally adjusted]

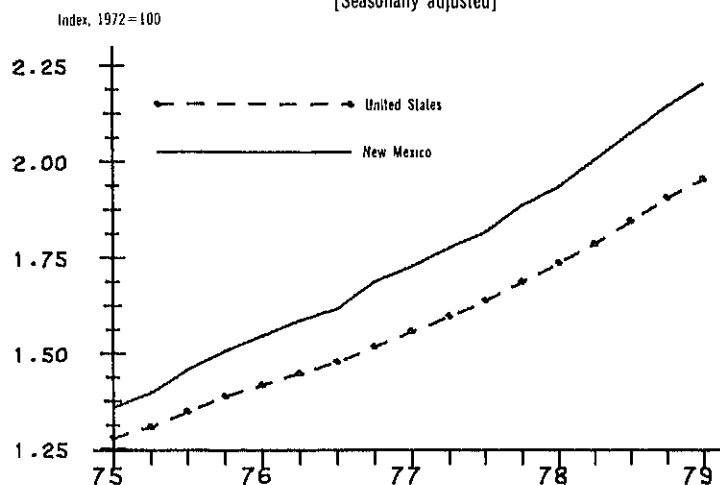


Chart 4.—Industrial Composition of Wages and Salaries¹
[Seasonally adjusted]

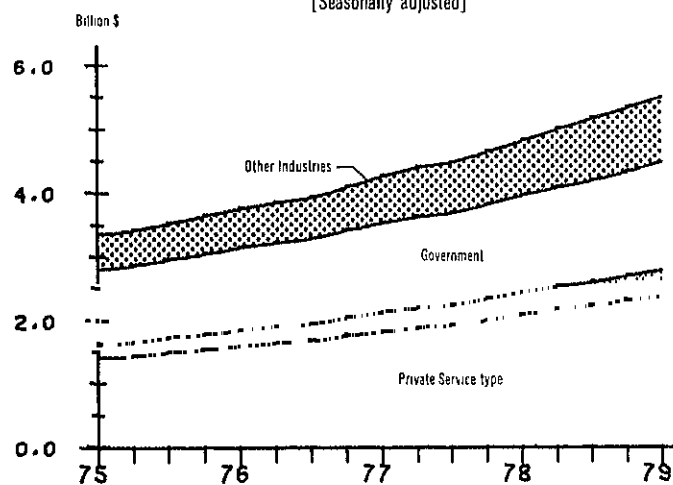


TABLE 2.—Personal Income, United States and New Mexico

	United States		New Mexico				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	7,271	7,494	8,289	8,532	12.6	14.0	12.6	13.8
Farm personal income	32,083	40,141	174	163	195	209	26.3	11.9	25.1	28.2
Nonfarm personal income	1,592,582	1,789,374	7,097	7,331	8,094	8,323	12.3	14.0	12.4	13.5
Total personal income	1,624,665	1,829,515	7,271	7,494	8,289	8,532	12.6	14.0	12.6	13.8
Wage and salary disbursements	1,042,716	1,176,598	4,667	4,845	5,358	5,538	12.6	14.8	12.8	14.3
Other labor income	99,957	115,833	408	425	490	509	16.4	20.1	15.9	19.8
Proprietors' income	108,808	126,535	482	486	554	567	18.9	15.0	16.3	16.6
Farm	24,448	31,221	122	111	138	149	31.3	13.0	27.7	34.1
Nonfarm	84,360	95,314	360	375	416	417	15.3	15.6	13.0	11.4
Dividends, interest, and rent	221,191	250,595	964	995	1,086	1,125	12.8	12.6	13.3	13.0
Transfer payments	219,202	238,794	1,071	1,090	1,178	1,204	8.2	10.0	8.9	10.4
State unemployment insurance benefits	9,997	8,023	29	24	21	21	-30.3	-25.5	-19.7	-11.2
Less personal contributions	66,792	78,351	292	316	345	377	15.1	18.2	17.3	19.1
Plus, residence adjustment	-417	-489	-29	-30	-31	-33				
Wage and salary disbursements	1,042,716	1,176,598	4,667	4,845	5,358	5,538	12.6	14.8	12.8	14.3
Farm	7,215	8,422	50	50	55	58	10.6	9.4	16.7	15.4
Nonfarm	1,035,501	1,168,176	4,617	4,794	5,303	5,479	12.6	14.9	12.8	14.3
Mining	12,013	19,166	376	365	486	493	33.9	29.2	59.5	35.3
Construction	56,564	68,593	384	419	446	462	20.1	16.3	21.3	10.1
Manufacturing	285,735	325,636	342	348	392	428	13.3	14.7	14.0	23.0
Durable goods	182,321	211,944	208	212	238	266	15.2	14.4	16.2	25.3
Nondurable goods	103,414	113,692	134	136	154	162	10.0	15.1	9.9	19.5
Private service type	473,132	532,823	2,006	2,107	2,322	2,381	13.1	15.7	12.6	13.0
Transportation, communication, and public utilities	79,598	88,755	369	375	420	441	11.3	13.8	11.5	17.6
Wholesale and retail trade	177,331	201,608	742	788	867	902	14.1	16.7	13.7	14.4
Finance, insurance, and real estate	55,930	63,373	181	193	216	226	13.2	19.5	13.3	17.3
Services	160,273	179,087	714	751	818	812	12.7	14.6	11.7	8.1
Government	204,558	218,008	1,496	1,541	1,643	1,700	6.9	9.8	6.6	10.3
Federal	68,698	73,916	648	669	703	738	7.1	8.5	7.6	10.3
State and local	135,860	144,092	848	872	940	962	6.8	10.8	6.1	10.3
Other	3,499	3,950	13	14	15	16	14.6	11.7	12.9	10.1

1 Detail may not add to totals because of rounding.
2 Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and New Mexico¹

	United States		New Mexico				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV-- 1978 IV	1978 I-- 1979 I		
Index, 1967 = 100, not seasonally adjusted							Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2 Average for 85 representative urban areas based on the 1970 Census of Population
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, New Mexico's civilian labor force increased 3.4 percent, 0.2 percentage point above the Nation's advance (table 4). Total employment increased 3.1 percent (from 471,000 to 486,000), 0.7 percentage point below the national average advance of 3.8 percent.

With employment increasing by 15,000 and the labor force increasing by 17,000, the number of unemployed increased by 2,000. The unemployment rate increased 0.3 percentage point, to 6.6 percent of the labor force in 1979:I. While in 1978:I, New Mexico's unemployment

rate was 0.5 percentage point below the Nation's rate, in 1979:I, it was 0.3 percentage point above.

Across the State, unemployment rates varied somewhat. According to preliminary data for March 1979, the unemployment rate in the Albuquerque metropolitan area was 5.7 percent, compared with a preliminary State rate of 6.2 percent. The unemployment rate outside of Albuquerque was 6.4 percent.

Chart 5—Labor Force, Employment, and Unemployment, 1979:I: New Mexico

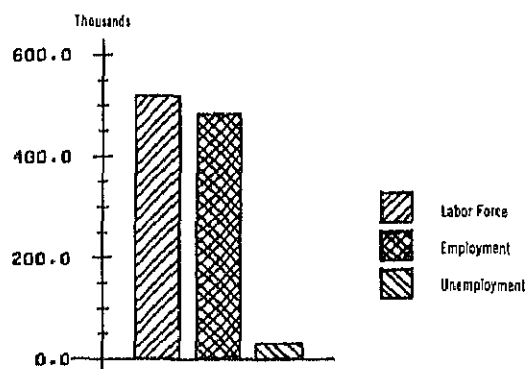


Chart 6.—Unemployment Rates, 1978:I—1979:I

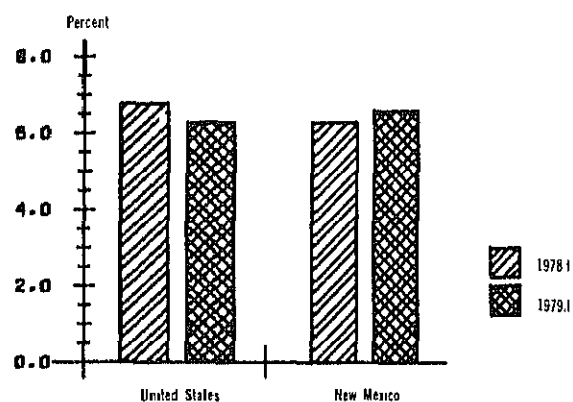


TABLE 4.—Labor Force, United States and New Mexico

	United States		New Mexico				U.S.	State	U.S.	State
	1978 I	1979 I	1977:IV	1978:I	1978:IV	1979 I	1977:IV— 1978:IV	1978:I— 1979:I		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	428	426	455	450	4.2	6.4	2.9	5.5
Mining	730	896	24	24	25	26	14.4	6.3	22.7	8.0
Construction	3,784	3,973	33	32	36	34	11.2	10.0	5.0	6.3
Manufacturing	20,064	20,652	33	33	34	34	3.6	2.4	2.9	4.9
Transportation, communication, and public utilities	4,779	4,943	25	26	28	28	4.4	10.3	3.4	9.0
Wholesale and retail trade	18,937	19,549	99	97	105	103	4.5	6.0	3.2	6.9
Finance, insurance, and real estate	4,601	4,790	19	19	20	21	5.2	6.8	4.1	7.9
Services	15,758	16,149	82	83	88	84	4.4	8.1	2.5	2.2
Government	15,435	15,648	113	115	119	120	1.4	4.7	1.4	5.1
Civilian labor force ³	98,106	101,260	513	503	535	521	3.1	4.3	3.2	3.4
Total employed	91,401	94,901	478	471	506	486	3.9	5.8	3.8	3.1
Total unemployed	6,705	6,360	34	32	29	34	-8.8	-15.5	-5.1	7.7
Percent unemployed	6.8	6.3	6.7	6.3	5.4	6.6	---	---	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

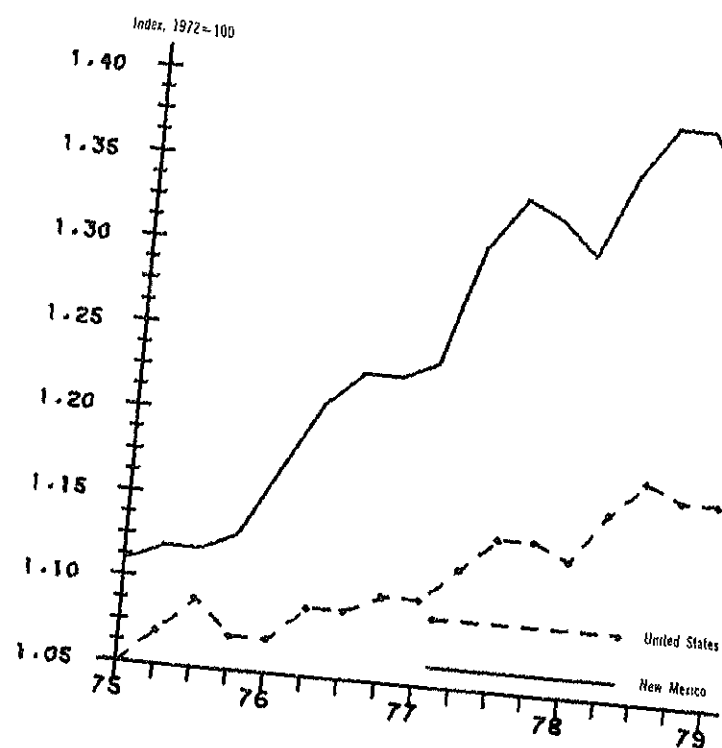


Chart 8.—Civilian Employment

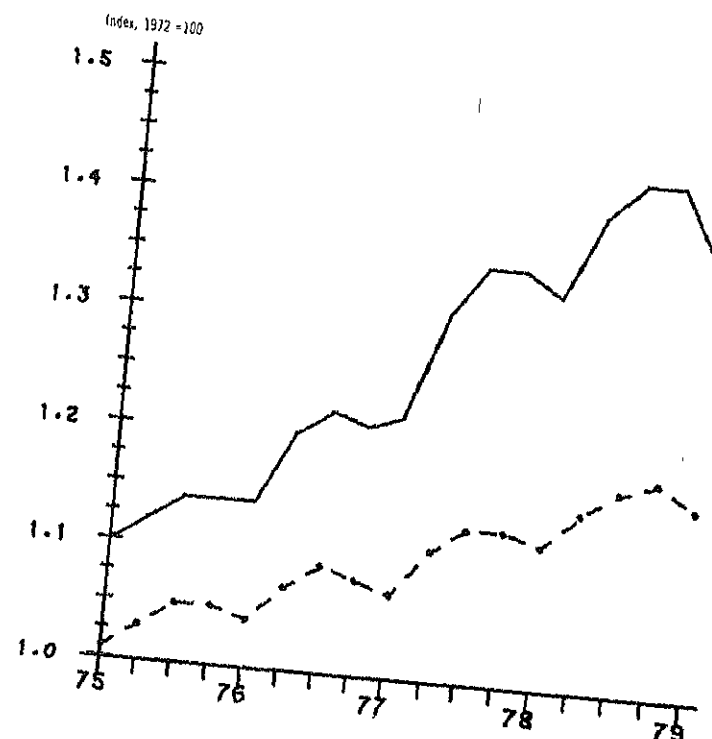


Chart 9.—Unemployment Rate

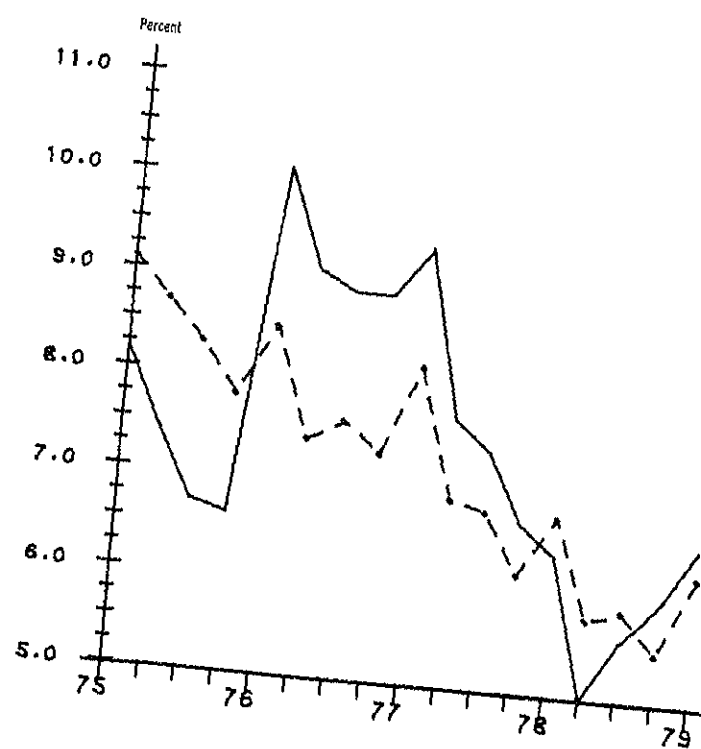
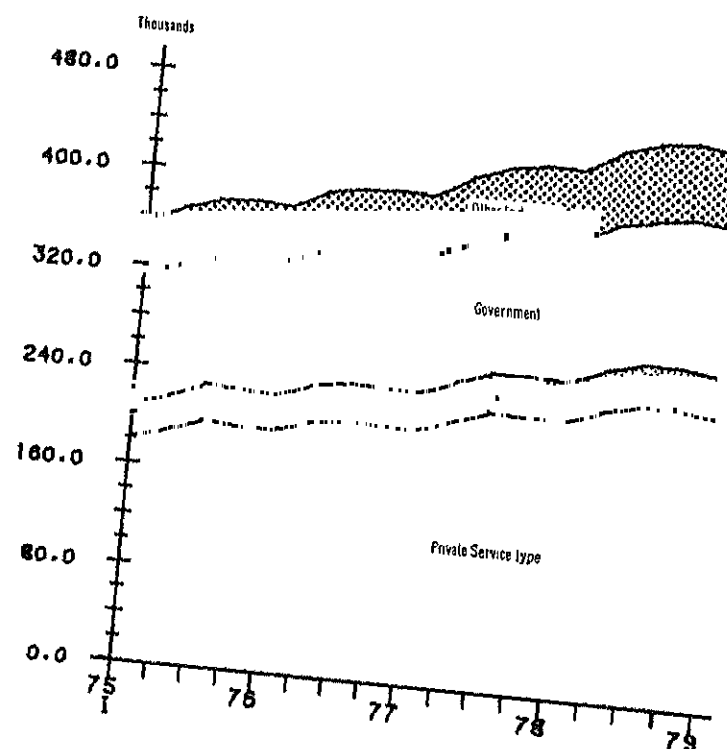


Chart 10.—Industrial Composition of Nonagricultural Employment: New Mexico



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and New Mexico

	United States		New Mexico				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans . .	619,218	n.a.	2,426	2,516	2,844	n.a.	15.6	17.2	---	---
Commercial and industrial	202,241	n.a.	769	800	883	n.a.	13.3	14.8	---	---
Loans to individuals	143,356	n.a.	812	845	966	n.a.	18.7	19.0	---	---
Real estate	183,599	n.a.	604	631	749	n.a.	19.6	24.0	---	---
Residential	104,830	n.a.	217	229	291	n.a.	22.1	34.2	---	---
Farms	7,919	n.a.	24	26	28	n.a.	9.6	15.9	---	---
Other	70,851	n.a.	363	376	430	n.a.	17.0	18.3	---	---
Farms, excluding real estate	25,440	n.a.	170	174	181	n.a.	9.5	6.2	---	---
Other	64,581	n.a.	71	66	65	n.a.	7.9	-8.7	---	---
Total deposits	911,772	n.a.	3,831	3,876	4,295	n.a.	9.3	12.1	---	---
Demand	344,245	n.a.	1,490	1,440	1,654	n.a.	5.6	11.0	---	---
Time and savings	567,527	n.a.	2,341	2,436	2,641	n.a.	11.9	12.8	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans rose 17.2 percent in New Mexico from 1977:IV to 1978:IV, leading the national increase of 15.6 percent (table 5). Real estate loans rose by almost one-fourth, outpacing the Nation's increase of 19.6 percent, to \$749 million. Commercial and industrial loans rose 14.8 percent, leading the Nation's increase by 1.5 percentage points, to \$883

million. Loans to individuals rose 19.0 percent, fractionally leading the Nation's increase, to \$966 million.

Total deposits rose 12.1 percent, outpacing the national average increase by almost 3 percentage points. Demand deposits rose 11.0 percent, to \$1.7 billion; the rate of increase was almost twice that registered nationally and was exceeded by increases in only six States. Time and savings deposits rose 12.8 percent versus 11.9 percent nationally, to \$2.6 billion.

Construction

The total valuation of contracts in New Mexico declined 1.2 percent from 1978:I to 1979:I, to \$260 million, comparing unfavorably with the Nation's 19.8-percent gain (table 6). The State's percentage decline was exceeded by declines in only nine other States. National construction costs rose about 14 percent during the same timespan; if this national rise reflects the cost advance throughout New Mexico, the real valuation of contracts in the State declined about 15 percent.

Weakness in the State's residential housekeeping market was mainly responsible for the decline in New Mexico's total valuation of contracts. Statewide, the valuation of residential housekeeping contracts declined 10.0 percent, comparing unfavorably with the Nation's 11.8-percent average gain and ranking as one of the largest declines among all States. The number of dwelling units started declined 11.6 percent, about 400

units, to 3,000 in 1979 I. Nationally, in contrast, the number of dwelling units started rose 2.6 percent.

The valuation of nonbuilding contracts rose less than 1 percent, to \$54 million, compared with a national gain of 23.7 percent. The street and highway component of nonbuilding contracts declined 16.6 percent in valuation, one of the largest declines in the Nation and in sharp contrast to a 61.2-percent national average gain.

Contracts for additions and alterations to residential housekeeping units rose 20.5 percent in valuation, to \$36 million, and this was the only large percentage gain registered by a major construction market in New Mexico. Nationally, the valuation of addition and alteration contracts rose 17.9 percent.

Chart 14.—Construction Contracts—Total Valuation

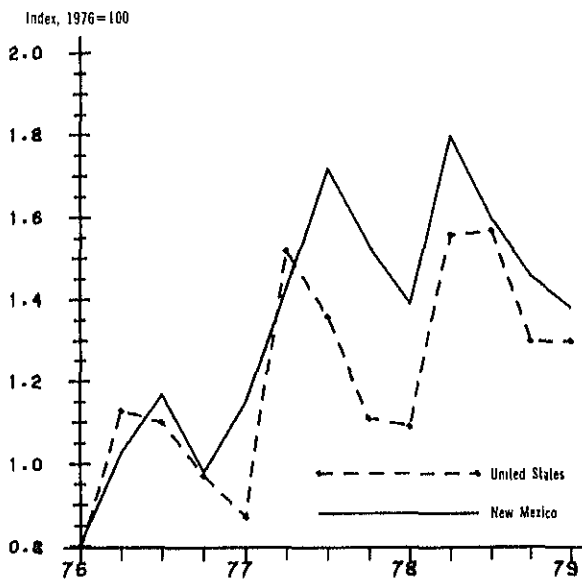


Chart 15.—Construction Contracts—Valuation of Contracts by Type: New Mexico

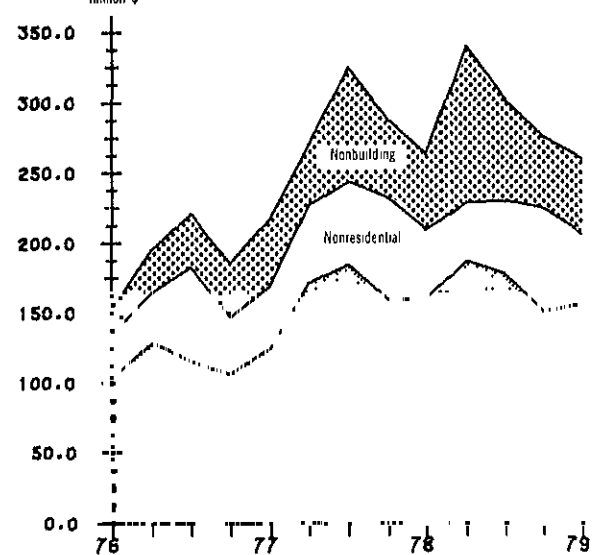


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

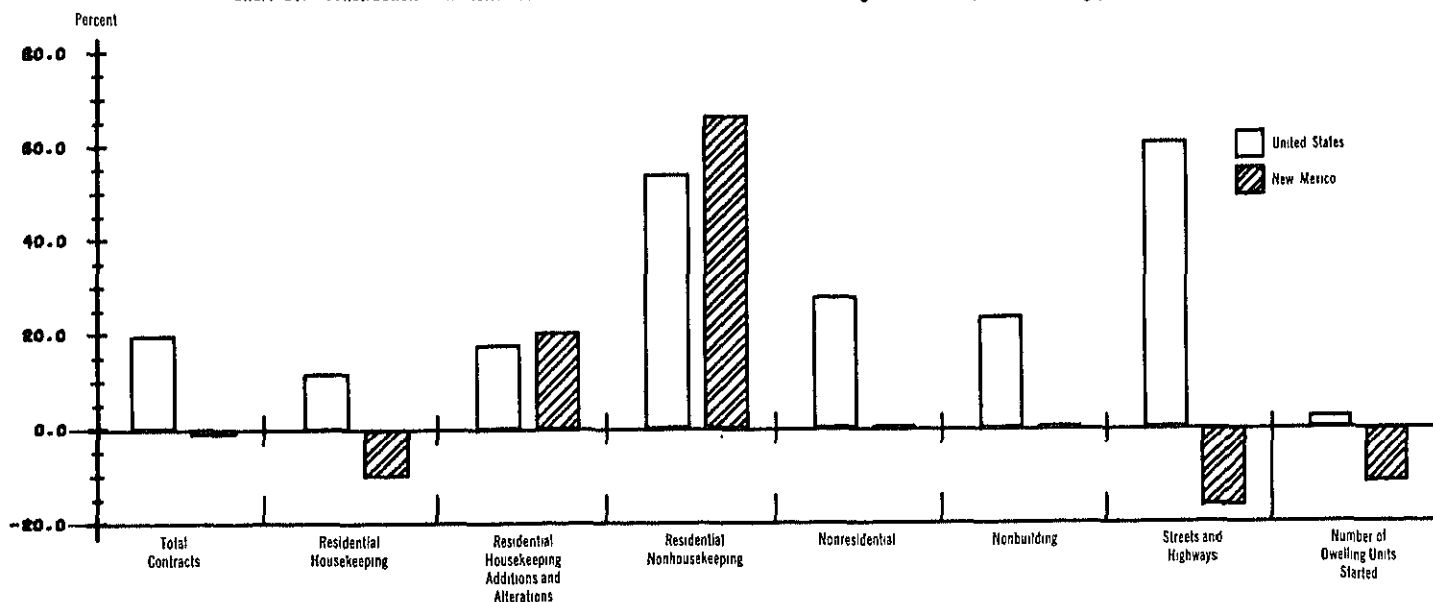


TABLE 6.—Construction Contracts, United States and New Mexico¹

	United States		New Mexico				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	288,074	262,906	275,363	259,679	16.8	-4.4	19.8	-1.2
Residential housekeeping, additions and alterations Valuation (thousands of dollars)	5,904,299	6,962,771	38,322	30,080	47,251	36,238	14.6	23.3	17.9	20.5
All other contracts										
Number of contracts	53,028	53,454	536	450	482	463	-9.3	-10.1	.8	2.9
Valuation (thousands of dollars)	32,202,931	38,675,376	249,752	232,826	228,112	223,441	17.3	-8.7	20.1	-4.0
Floor area (thousands of square feet)	807,538	904,811	6,532	6,173	5,408	5,522	10.3	-17.2	12.0	-10.6
Residential housekeeping										
Number of contracts	13,592	14,399	154	140	143	150	-4.3	-7.1	5.9	7.1
Number of dwelling units	404,171	414,826	3,462	3,412	2,530	3,017	-.2	-26.9	2.6	-11.6
Valuation (thousands of dollars)	13,806,696	15,431,523	119,409	125,861	102,249	113,331	15.6	-14.4	11.8	-10.0
Floor area (thousands of square feet)	546,445	571,860	4,427	4,705	3,579	3,964	10.7	-19.2	4.7	-15.7
Residential nonhousekeeping										
Number of contracts	441	464	4	4	3	10	-4	-25.0	5.2	150.0
Valuation (thousands of dollars)	327,201	504,158	1,600	4,156	1,269	6,913	54.9	-20.7	54.1	66.3
Floor area (thousands of square feet)	8,179	11,483	42	135	61	91	34.7	45.5	40.4	-32.5
Nonresidential										
Number of contracts	25,282	23,514	244	204	232	206	-12.0	-4.9	-7.0	1.0
Valuation (thousands of dollars)	9,056,146	11,595,243	72,742	49,231	74,178	49,409	16.3	2.0	28.0	4
Floor area (thousands of square feet)	252,915	321,468	2,063	1,333	1,768	1,467	8.7	-14.3	27.1	10.0
Nonbuilding										
Number of contracts	13,713	15,077	134	102	104	97	-9.1	-22.4	9.9	-4.9
Valuation (thousands of dollars)	9,012,888	11,144,452	56,001	53,578	50,416	53,788	20.6	-10.0	23.7	4
Streets and Highways										
Number of contracts	3,989	4,750	37	25	25	26	-17.8	-32.4	19.1	4.0
Valuation (thousands of dollars)	1,399,453	2,255,221	27,165	27,819	18,408	23,194	-18.1	-32.2	61.2	-16.6

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE.—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for New Mexico are not available.

TABLE 7.—Retail Sales, United States and New Mexico

	United States		New Mexico				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Non-durable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and New Mexico

	United States		New Mexico				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	427	562	605	n.a.	13.2	41.7	---	---
Total number of business failures	1,729	n.a.	4	0	0	n.a.	-4.9	---	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	389	0	0	n.a.	13.7	---	---	---
Average liability per failure (thousands of dollars)	404	n.a.	97	0	0	n.a.	19.4	---	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	1	0	0	n.a.	6.0	---	---	---
Construction	279	n.a.	0	0	0	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	0	0	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	2	0	0	n.a.	-4	---	---	---
Commercial services	205	n.a.	1	0	0	n.a.	-23.5	---	---	---

n.a. Data not available.

Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 9.4%, 3.2 percentage points less than in U.S. —Wage and salary increases in most major industries less than in U.S.
Consumer prices	—Up 8.3% in Buffalo and 7.1% in New York City-Northeast New Jersey area vs. 9.9% in U.S.
Employment	—Up 4.3% vs. 3.8% in U.S., to 7.4 million
Unemployment	—Down 61,000, to 607,000 —Rate down to 7.6% of labor force vs. 6.3% in U.S.
Construction	—Total valuation of contracts up 19.7% vs. 19.8% in U.S., to \$1.8 billion —Large gains in valuation of nonresidential and residential housekeeping contracts —Number of dwelling-unit starts up 10.5% vs. 2.6% in U.S., to 7,889
Retail sales	—Up 10.9% vs. 15.8% in U.S., to \$13.5 billion

TABLE 1.—Summary of Economic Indicators, United States and New York

	United States		New York				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	138,860	141,623	151,879	154,919	12.6	9.4	12.6	9.4
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	91,512	93,367	99,949	102,107	12.6	9.2	12.8	9.4
Civilian employment (thousands)	91,401	94,901	7,110	7,073	7,350	7,376	3.9	3.4	3.8	4.3
Unemployment (thousands)	6,705	6,360	659	668	571	607	-8.8	-13.4	-5.1	-9.2
Percent unemployed (unemployment/labor force)	6.8	6.3	8.5	8.6	7.2	7.6	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	96,478	91,981	106,321	n.a.	15.6	10.2	---	---
Total deposits (millions of dollars)	911,772	n.a.	142,774	136,371	154,096	n.a.	9.3	7.9	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	1,836,216	1,484,782	2,433,168	1,777,293	16.8	32.5	19.8	19.7
Dwelling units started (number)	404,171	414,826	10,891	7,140	12,790	7,889	-2	17.4	2.6	10.5
Total retail sales (millions of dollars)	167,940	194,529	14,258	12,131	14,834	13,454	11.2	4.0	15.8	10.9
New business incorporations (number)	115,247	n.a.	12,181	13,348	12,515	n.a.	13.2	2.7	---	---
Business failures (number)	1,729	n.a.	162	171	139	n.a.	-4.9	-14.2	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Buffalo	---	---	185.1	187.5	197.1	203.1	---	6.5	---	8.3
New York City—Northeast New Jersey	---	---	188.3	190.8	200.0	204.4	---	6.2	---	7.1

n.a. Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 9.4 percent from 1978:I to 1979:I, 3.2 percentage points less than nationally (table 2). In 1979:I, New York's total personal income was \$154.9 billion, for an increase of \$13.3 billion since 1978:I. Among all States, only four had smaller increases than New York. The income increase in each Mideast State was near or below the national average.

Consumer prices from 1978:I to 1979:I increased 8.3 percent in the Buffalo metropolitan area and 7.1 percent in the New York City-Northeast New Jersey area; both of these increases were below the national increase of 9.9 percent (table 3). If the average price increase in these areas—7.7 percent—is used as an indicator for price movements in the State, real total personal income in New York increased 1.7 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased only 9.4 percent in New York versus 12.8 percent in the Nation. In 1979:I, they totaled \$102.1 billion, for an increase of \$8.7 billion since 1978:I. Among all States, only Alaska had a smaller increase.

The increase in each major private industry in New York lagged the increase in the corresponding industry nationally. Manufacturing payrolls in New York increased 11.1 percent versus 14.0 percent nationally. Both durable and nondurable goods manufacturing payrolls were weak. Construction payrolls increased 18.7 percent in New York versus 21.3 percent in the Nation. The increase in New York's private service-type payrolls was 9.1 percent versus 12.6 percent in the Nation. Among all States, only Hawaii and Alaska had smaller increases. New York's lag was particularly pronounced in transportation-communication-public utilities and in finance-insurance-real estate.

The 6.1-percent increase in government payrolls in New York was only somewhat below the 6.6-percent increase in the Nation. The increase in State and local government payrolls was substantially below that in the Nation. In contrast, Federal Government payrolls increased 9.9 percent in New York versus 7.6 percent in the Nation.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

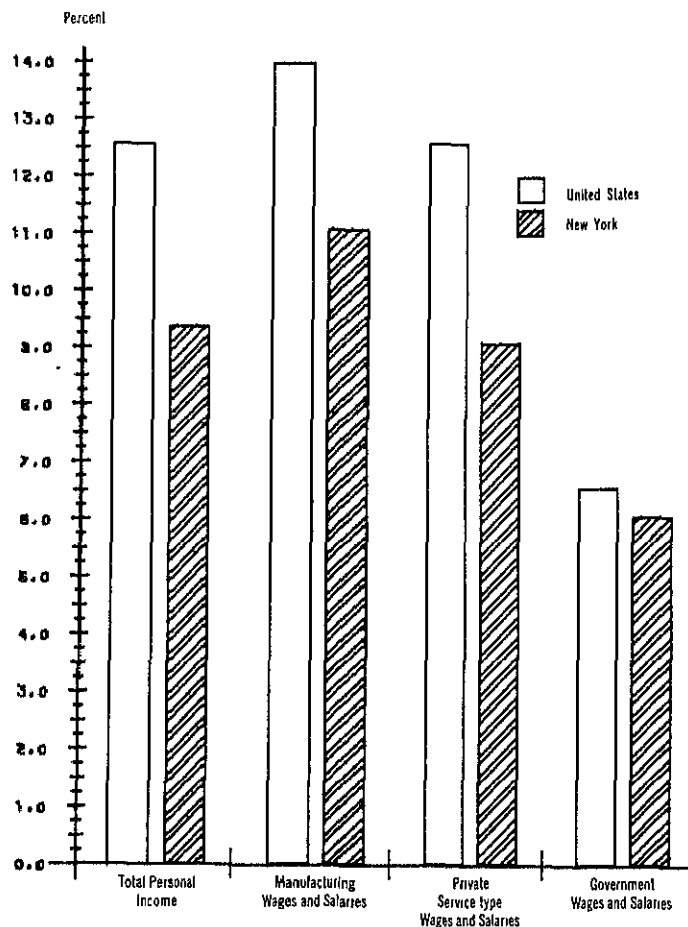


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

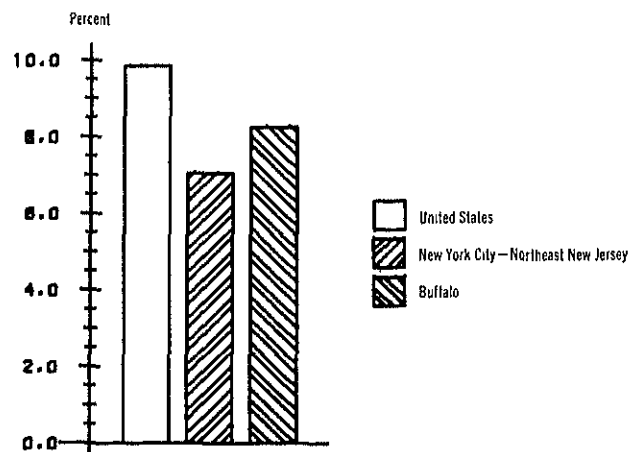


Chart 3.—Total Personal Income
[Seasonally adjusted]

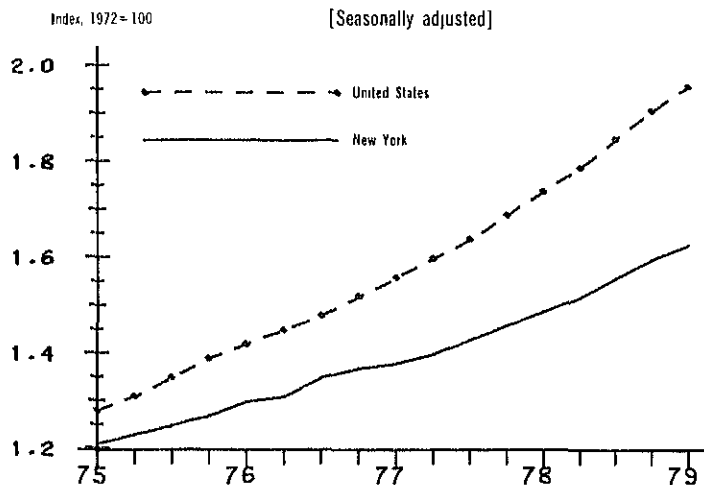


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

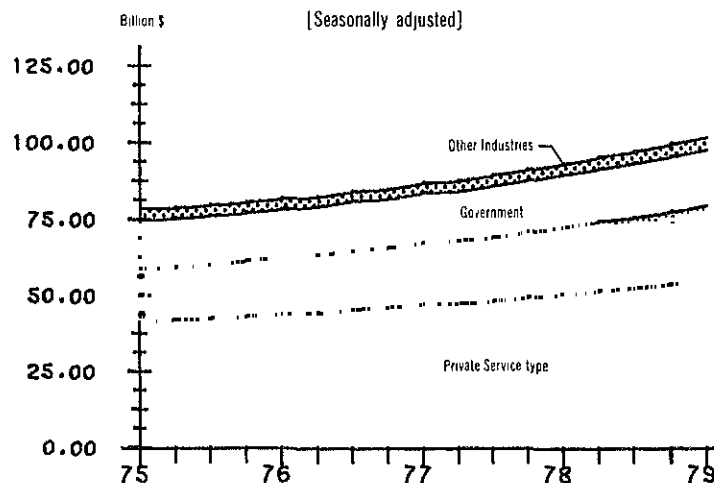


TABLE 3.—Consumer Price Index, United States and New York¹

	United States		New York				U S	State	U S	State
	1978.I	1979.I	1977.IV	1978.I	1978.IV	1979.I	1977.IV— 1978.IV		1978.I— 1979.I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	138,860	141,623	151,879	154,919	12.6	9.4	12.6	9.4
Farm personal income.	32,083	40,141	370	418	535	580	26.3	44.6	25.1	38.6
Nonfarm personal income	1,592,582	1,789,374	138,490	141,205	151,344	154,339	12.3	9.3	12.4	9.3
Total personal income	1,624,665	1,829,515	138,860	141,623	151,879	154,919	12.6	9.4	12.6	9.4
Wage and salary disbursements	1,042,716	1,176,598	91,512	93,367	99,949	102,107	12.6	9.2	12.8	9.4
Other labor income	99,957	115,833	7,905	8,185	8,828	9,073	16.4	11.7	15.9	10.8
Proprietors' income	108,808	126,535	6,078	6,204	6,790	6,805	18.9	11.7	16.3	9.7
Farm	24,448	31,221	130	176	268	296	31.3	106.6	27.7	67.9
Nonfarm	84,360	95,314	5,949	6,028	6,522	6,509	15.3	9.6	13.0	8.0
Dividends, interest, and rent	221,191	250,595	22,422	22,971	24,760	25,502	12.8	10.4	13.3	11.0
Transfer payments	219,202	238,794	21,736	22,113	23,406	23,882	8.2	7.7	8.9	8.0
State unemployment insurance benefits	9,997	8,023	1,231	1,202	922	957	-30.3	-25.1	-19.7	-20.4
Less personal contributions	66,792	78,351	5,303	5,631	5,870	6,356	15.1	10.7	17.3	12.9
Plus residence adjustment	-417	-489	-5,491	-5,587	-5,984	-6,094	-	-	-	-
Wage and salary disbursements	1,042,716	1,176,598	91,512	93,367	99,949	102,107	12.6	9.2	12.8	9.4
Farm	7,215	8,422	224	225	249	264	10.6	11.1	16.7	17.2
Nonfarm	1,035,501	1,168,176	91,289	93,142	99,701	101,843	12.6	9.2	12.8	9.3
Mining	12,013	19,166	154	153	175	178	33.9	13.7	59.5	16.1
Construction	56,564	68,593	2,831	2,769	3,324	3,286	20.1	17.4	21.3	18.7
Manufacturing	285,735	325,636	21,615	22,230	23,741	24,708	13.3	9.8	14.0	11.1
Durable goods	182,321	211,944	12,509	12,907	14,082	14,812	15.2	12.6	16.2	14.8
Nondurable goods	103,414	113,692	9,106	9,323	9,660	9,896	10.0	6.1	9.9	6.1
Private service type	473,132	532,823	49,536	50,556	54,066	55,156	13.1	9.1	12.6	9.1
Transportation, communication, and public utilities	79,598	88,755	7,931	8,225	8,330	8,515	11.3	5.0	11.5	3.5
Wholesale and retail trade	177,331	201,608	14,758	15,062	16,639	16,909	14.1	12.8	13.7	12.3
Finance, insurance, and real estate	55,930	63,373	8,699	8,791	9,465	9,580	13.2	8.8	13.3	9.0
Services	160,273	179,087	18,148	18,477	19,630	20,152	12.7	8.2	11.7	9.1
Government	204,558	218,008	16,946	17,209	18,162	18,267	6.9	7.2	6.6	6.1
Federal	68,698	73,916	3,153	3,236	3,467	3,556	7.1	10.0	7.6	9.9
State and local	135,860	144,092	13,793	13,974	14,695	14,711	6.8	6.5	6.1	5.3
Other	3,499	3,950	208	225	233	248	14.6	11.9	12.9	10.3

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source U S Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 2.—Personal Income, United States and New York

	United States		New York				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV~ 1978:IV		1978:I~ 1979:I	
Index, 1967 = 100, not seasonally adjusted							Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Buffalo ...	---	---	185.1	187.5	197.1	203.1	---	6.5	---	8.3
New York City—Northeast New Jersey ...	---	---	188.3	190.8	200.0	204.4	---	6.2	---	7.1

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2 Average for 85 representative urban areas based on the 1970 Census of Population.

Source U S Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, New York's civilian labor force increased 3.1 percent, virtually the same as nationally (table 4). Total employment increased 4.3 percent in the State, 0.5 percentage point more than nationally, to 7.4 million.

With the labor force increasing 242,000 and employment increasing 303,000, unemployment declined 61,000, to 607,000. The unemployment rate in the State in 1979:I was 7.6 percent, 1.0 percentage point below the 1978:I rate. Nationally, the unemployment rate in 1979:I was 6.3 percent. Among all States, only 10 had higher unemployment rates than

New York. All States in the Mideast region had unemployment rates that exceeded the national average.

In March 1979, the preliminary unemployment rate in the State was 7.7 percent versus 8.2 percent a year previous. March 1979 rates in the major metropolitan areas of the State ranged from 4.9 percent in Rochester to 8.5 percent in the New York metropolitan area. From March 1978 to March 1979, rates in most major metropolitan areas in New York State declined; the major exception was the New York area, where the rate was unchanged.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: New York

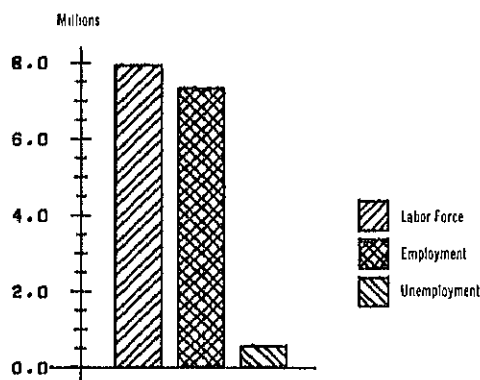


Chart 6.—Unemployment Rates, 1978:I—1979:I

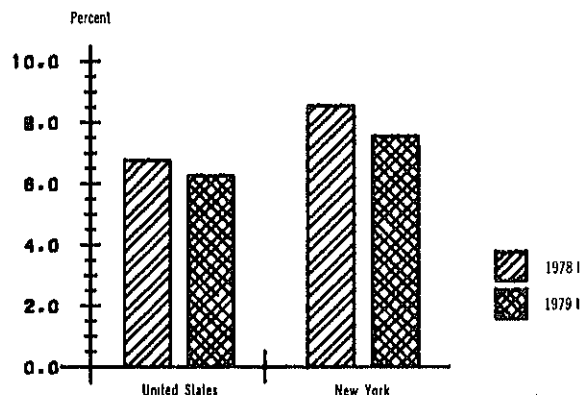


TABLE 4.—Labor Force, United States and New York

	United States		New York				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978 I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	6,966	6,829	7,130	6,976	4.2	2.4	2.9	2.2
Mining	730	896	7	6	6	6	14.4	-8.7	22.7	-1.8
Construction	3,784	3,973	201	160	212	172	11.2	5.3	5.0	7.8
Manufacturing	20,084	20,652	1,483	1,451	1,505	1,481	3.6	1.4	2.9	2.1
Transportation, communication, and public utilities	4,779	4,943	428	422	434	426	4.4	1.6	3.4	.9
Wholesale and retail trade	18,937	19,549	1,467	1,405	1,494	1,427	4.5	1.8	3.2	1.6
Finance, insurance, and real estate	4,601	4,790	579	575	589	586	5.2	1.7	4.1	1.8
Services	15,758	16,149	1,526	1,521	1,593	1,583	4.4	4.4	2.5	4.0
Government	15,435	15,648	1,276	1,290	1,298	1,297	1.4	1.7	1.4	.6
Civilian labor force ³	98,106	101,260	7,769	7,741	7,921	7,983	3.1	1.9	3.2	3.1
Total employed	91,401	94,901	7,110	7,073	7,350	7,376	3.9	3.4	3.8	4.3
Total unemployed	6,705	6,360	659	668	571	607	-8.8	-13.4	-5.1	-9.2
Percent unemployed	6.8	6.3	8.5	8.6	7.2	7.6	---	---	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

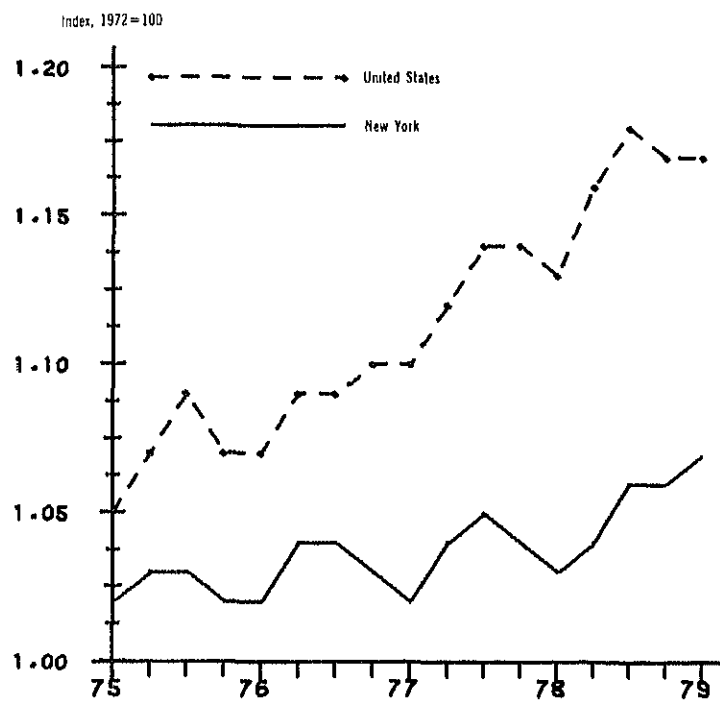


Chart 8.—Civilian Employment

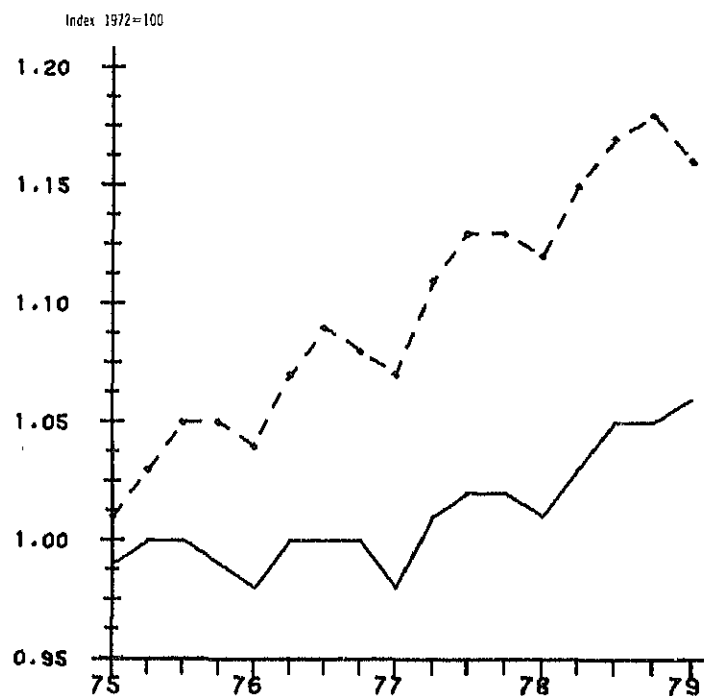


Chart 9.—Unemployment Rate

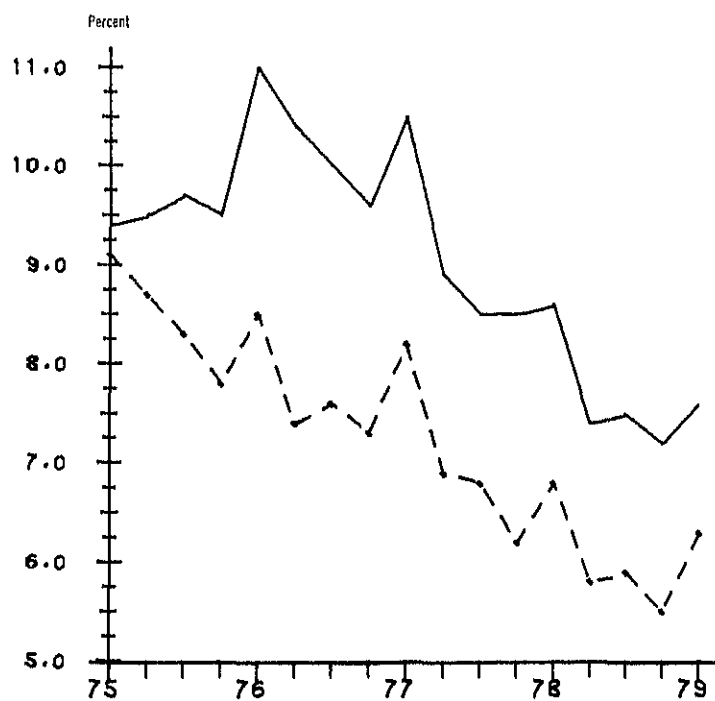
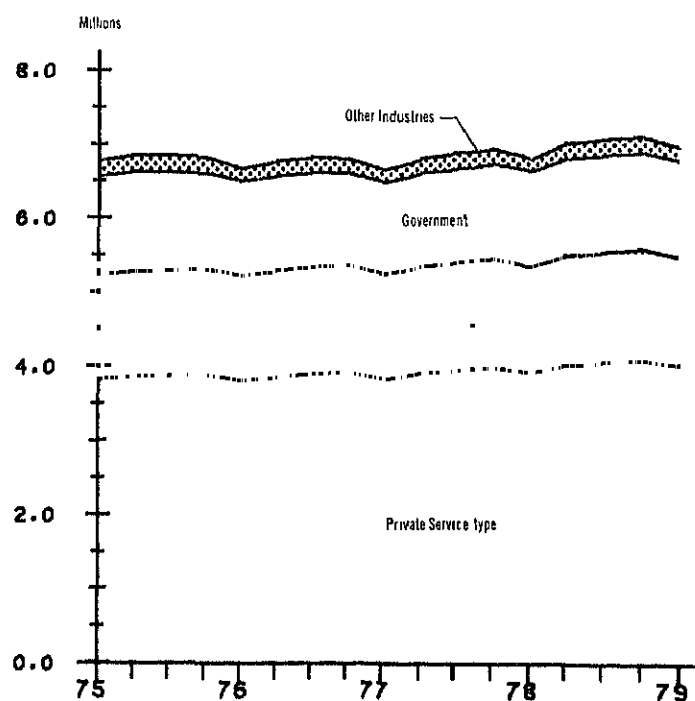


Chart 10.—Industrial Composition of Nonagricultural Employment: New York



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978 I-1979 I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and New York

	United States		New York				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	96,478	91,981	106,321	n.a.	15.6	10.2	---	---
Commercial and industrial	202,241	n.a.	44,616	43,489	49,095	n.a.	13.3	10.0	---	---
Loans to individuals	143,356	n.a.	11,282	11,651	14,800	n.a.	18.7	31.2	---	---
Real estate	183,599	n.a.	14,578	14,442	16,099	n.a.	19.6	10.4	---	---
Residential	104,830	n.a.	7,592	7,859	9,000	n.a.	22.1	18.5	---	---
Farms	7,919	n.a.	118	119	130	n.a.	9.6	9.7	---	---
Other	70,851	n.a.	6,868	6,463	6,970	n.a.	17.0	1.5	---	---
Farms, excluding real estate	25,440	n.a.	358	350	396	n.a.	9.5	10.5	---	---
Other	64,581	n.a.	25,644	22,049	25,932	n.a.	7.9	1.1	---	---
Total deposits	911,772	n.a.	142,774	136,371	154,096	n.a.	9.3	7.9	---	---
Demand	344,245	n.a.	78,243	70,103	80,410	n.a.	5.6	2.8	---	---
Time and savings	567,527	n.a.	64,531	66,268	73,686	n.a.	11.9	14.2	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in New York increased 10.2 percent from 1977:IV to 1978:IV versus an increase of 15.6 percent in the Nation (table 5). Among all States, only Alaska, Nebraska, Georgia, and North Dakota had smaller increases than New York. In 1978:IV, loans totaled \$106.3 billion in New York, for an increase of \$9.8 billion since 1977:IV. Real estate loans in the State increased 10.4 percent, slightly more than one-half as much as in the Nation. Among all States, only four had increases that were smaller than New York's. Commercial and industrial loans were also weak in the State, increasing 10.0 percent versus 13.3 percent

in the Nation. In sharp contrast, loans to individuals increased 31.2 percent in New York versus 18.7 percent in the Nation. Only one State, Washington, registered a larger increase.

Total deposits increased 7.9 percent from 1977:IV to 1978:IV, 1.4 percentage points less than in the Nation. In 1978:IV, New York's deposits totaled \$154.1 billion, for an increase of \$11.3 billion since 1977:IV. Weakness in the State centered in demand deposits, which increased 2.8 percent versus 5.6 percent in the Nation. Among all States, New York's increase ranked 41st. In contrast, time and savings deposits increased 14.2 percent versus 11.9 percent in the Nation. New York's increase ranked 11th.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 19.7 percent in New York and 19.8 percent in the Nation (table 6). New York's increase ranked 22nd among all States. In 1979:I, contracts in the State totaled \$1.8 billion, for an increase over the year of \$0.3 billion.

Nationally, construction costs increased about 14 percent; if this national increase is representative of cost changes in New York, the real valuation of construction contracts in both the State and Nation would have increased about 6 percent.

The new residential housekeeping market was strong in New York, as it was in most Northeast States. Both the valuation of residential housekeeping contracts and the number of dwelling units started recovered sharply from unusually low levels in 1978:I, when the weather in the Northeast was even more severe than in 1979:I. The valuation of residential housekeeping contracts increased 21.6 percent in New York versus 11.8 percent in the Nation. Among all States, New York's increase ranked 19th. The number of dwelling units started increased 10.5 percent in New York, or 749 units, to 7,889 units. The increase in the Nation was only 2.6 percent. Among all States, New York's increase

ranked 19th. In contrast, the valuation of contracts for additions and alterations to residential housekeeping units increased only 9.7 percent in New York versus 17.9 percent in the Nation. Among all States, New York's increase ranked 40th.

The valuation of nonresidential contracts increased 94.4 percent in New York, in sharp contrast to an increase of 28.0 percent in the Nation. Part of the unusual strength in the State was traceable to an \$82 million contract for an office building in New York City. Excluding this contract, the valuation of nonresidential contracts in the State still would have increased substantially.

In sharp contrast, the valuation of contracts for nonbuilding declined 21.9 percent in New York and increased 23.7 percent in the Nation. In 1978:I, a \$62 million contract for a sewage collection and disposal line in Kings County raised the valuation of the State's nonbuilding contracts to an unusually high level, thereby distorting the subsequent year-to-year change. In contrast, the valuation of the street and highway component of nonbuilding contracts increased 83.4 percent in New York versus an increase of 61.2 percent nationally.

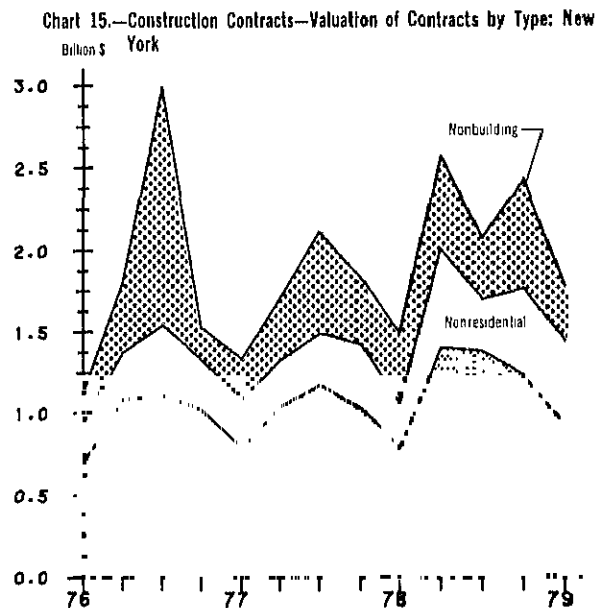
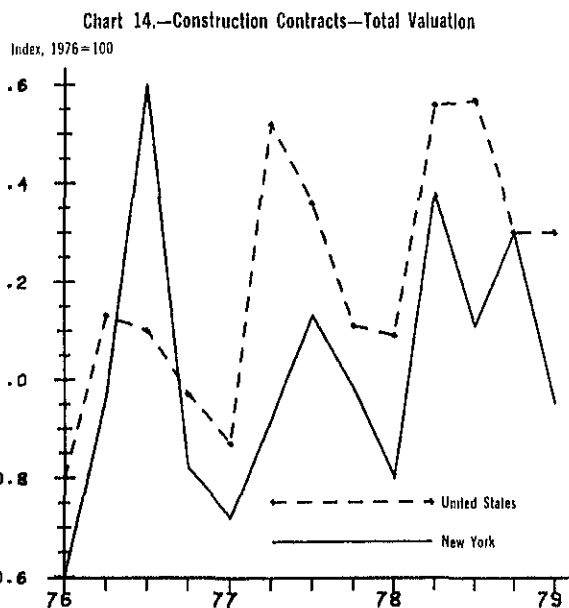


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

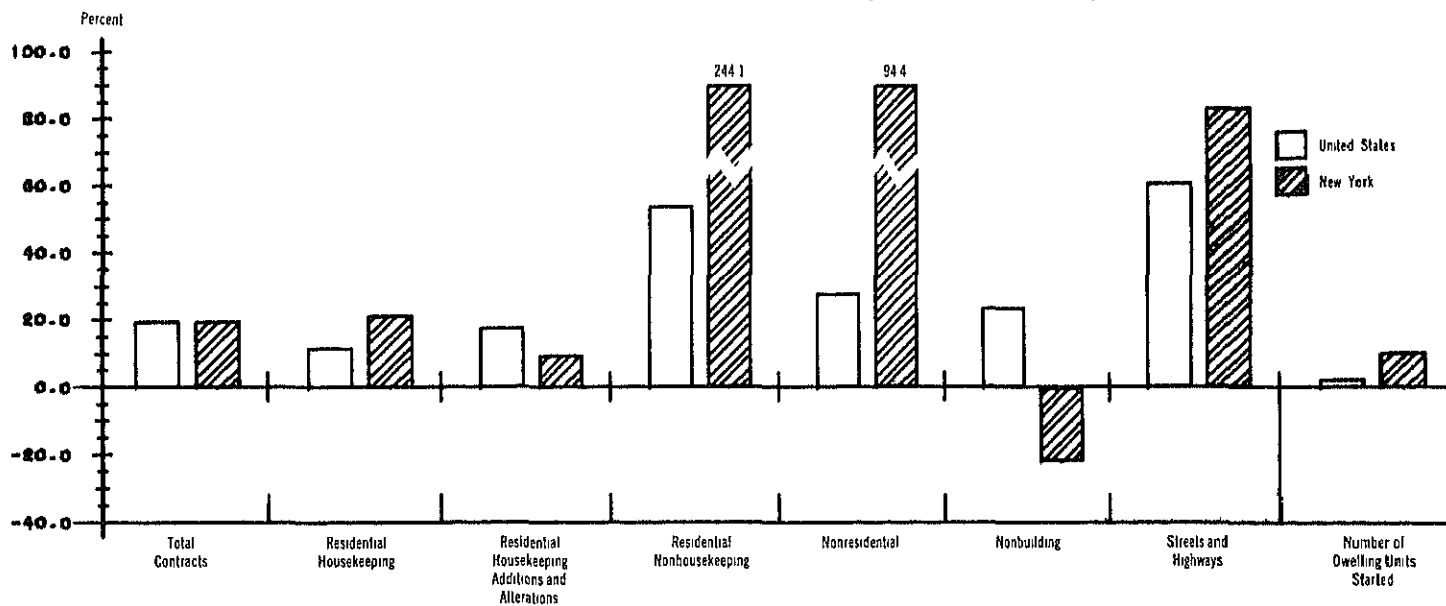


TABLE 6.—Construction Contracts, United States and New York¹

	United States		New York				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	1,836,216	1,484,782	2,433,168	1,777,293	16.8	32.5	19.8	19.7
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	669,882	507,395	693,721	556,636	14.6	3.6	17.9	9.7
All other contracts										
Number of contracts	53,028	53,454	2,373	1,813	2,035	1,780	-9.3	-14.2	8	-1.8
Valuation (thousands of dollars)	32,202,931	38,675,376	1,166,334	977,387	1,739,447	1,220,657	17.3	49.1	20.1	24.9
Floor area (thousands of square feet)	807,538	904,811	19,840	12,702	27,508	17,881	10.3	38.6	12.0	40.8
Residential housekeeping										
Number of contracts	13,592	14,399	369	332	374	367	-4.3	1.4	5.9	10.5
Number of dwelling units	404,171	414,826	10,891	7,140	12,790	7,889	-2	17.4	2.6	10.5
Valuation (thousands of dollars)	13,806,696	15,431,523	352,103	267,979	497,743	325,850	15.6	41.4	11.8	21.6
Floor area (thousands of square feet)	546,445	571,860	12,202	7,727	15,195	8,549	10.7	24.5	4.7	10.6
Residential nonhousekeeping										
Number of contracts	441	464	13	17	16	19	-4	23.1	5.2	11.8
Valuation (thousands of dollars)	327,201	504,158	9,602	10,609	40,670	36,508	54.9	323.6	54.1	244.1
Floor area (thousands of square feet)	8,179	11,483	149	192	1,224	649	34.7	723.1	40.4	238.6
Nonresidential										
Number of contracts	25,282	23,514	1,174	872	934	835	-12.0	-20.4	-7.0	-4.2
Valuation (thousands of dollars)	9,056,146	11,595,243	390,507	268,794	538,636	522,480	16.3	37.9	28.0	94.4
Floor area (thousands of square feet)	252,915	321,468	7,490	4,783	11,089	8,684	8.7	48.1	27.1	81.5
Nonbuilding										
Number of contracts	13,713	15,077	817	592	711	559	-9.1	-13.0	9.9	-5.6
Valuation (thousands of dollars)	9,012,888	11,144,452	414,122	430,005	662,398	335,819	20.6	60.0	23.7	-21.9
Streets and Highways										
Number of contracts	3,989	4,750	177	82	127	141	-17.8	-28.2	19.1	72.0
Valuation (thousands of dollars)	1,399,453	2,255,221	152,010	66,588	79,887	122,120	-18.1	-47.4	61.2	83.4

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in New York totaled more than \$13.4 billion in 1979:I, up 10.9 percent (\$1.3 billion) since 1978:I, compared with a 15.8-percent national increase (table 7). In 1979:I, nondurable goods accounted for \$9.9 billion of the total, and durable goods accounted for \$3.5 billion.

TABLE 7.—Retail Sales, United States and New York

	United States		New York				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	14,258	12,131	14,834	13,454	11.2	4.0	15.8	10.9
Durable goods	55,388	68,203	n.a.	n.a.	3,648	3,504	15.3	---	23.1	---
Nondurable goods	112,552	126,356	11.1	11.1	11,186	9,950	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and New York

	United States		New York				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	12,181	13,348	12,515	n.a.	13.2	2.7	---	---
Total number of business failures	1,729	n.a.	162	171	139	n.a.	-4.9	-14.2	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	107,705	180,090	59,497	n.a.	13.7	-44.8	---	---
Average liability per failure (thousands of dollars)	404	n.a.	685	1,053	428	n.a.	19.4	-35.6	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	39	35	32	n.a.	6.0	-17.9	---	---
Construction	279	n.a.	6	10	5	n.a.	-8.2	-16.7	---	---
Wholesale trade	205	n.a.	22	24	25	n.a.	-6.3	13.6	---	---
Retail trade	769	n.a.	79	87	79	n.a.	-4	0	---	---
Commercial services	205	n.a.	16	15	13	n.a.	-23.5	-18.7	---	---

n.a. Data not available
 Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 10.9% vs. 12.6% in U.S., to \$39.4 billion —Payrolls up 14.5% in durables manufacturing vs. 16.2% in U.S. and 11.9% in construction vs. 21.3% in U.S.
Consumer prices	—Up 7.7% in Atlanta vs. 9.9% in U.S.
Employment	—Up 2.4% vs. 3.8% in U.S., to 2.5 million
Unemployment	—Down 20,000, to 131,000 —Rate down to 4.9% of labor force vs. 6.3% U.S. rate
Construction	—Total valuation of contracts up 19.4% vs. 19.8% in U.S., to \$1.1 billion —Valuation of nonbuilding contracts up 70.4% vs. 23.7% in U.S. —Number of dwelling-unit starts down 4.1% vs. 2.6% increase in U.S.
Retail sales	—Up 10.4% vs. 15.8% in U.S., to \$4.4 billion

TABLE 1.—Summary of Economic Indicators, United States and North Carolina

	United States		North Carolina				U S	State	U S	State
	1978:I	1979 I	1977:IV	1978 I	1978 IV	1979 I	1977 IV— 1978:IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	33,837	35,527	38,322	39,387	12.6	13.3	12.6	10.9
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	22,604	23,550	25,272	26,017	12.6	11.8	12.8	10.5
Civilian employment (thousands)	91,401	94,901	2,481	2,480	2,585	2,540	3.9	4.2	3.8	2.4
Unemployment (thousands)	6,705	6,360	133	151	88	131	-8.8	-33.6	-5.1	-13.6
Percent unemployed (unemployment/labor force)	6.8	6.3	5.1	5.8	3.3	4.9	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	9,535	9,784	10,752	n.a.	15.6	12.8	---	---
Total deposits (millions of dollars)	911,772	n.a.	14,419	13,920	15,843	n.a.	9.3	9.9	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	916,479	941,290	1,144,672	1,124,156	16.8	24.9	19.8	19.4
Dwelling units started (number)	404,171	414,826	12,032	13,561	16,109	13,005	-2	33.9	2.6	-4.1
Total retail sales (millions of dollars)	167,940	194,529	4,452	4,020	4,882	4,439	11.2	9.7	15.8	10.4
New business incorporations (number)	115,247	n.a.	1,976	2,167	2,008	n.a.	13.2	1.6	---	---
Business failures (number)	1,729	n.a.	8	6	21	n.a.	-4.9	162.5	---	---
Consumer Price Index (1967=100):										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Atlanta	---	---	184.5	188.2	198.8	202.7	---	7.8	---	7.7

n.a.: Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in North Carolina increased 10.9 percent from 1978:I to 1979:I versus 12.6 percent nationally (table 2). In 1979:I, the State's personal income totaled \$39.4 billion, up \$3.9 billion since 1978:I.

During the same timespan, the Consumer Price Index for the Atlanta metropolitan area increased 7.7 percent versus a national city average increase of 9.9 percent (table 3). If Atlanta's increase is used as an indicator for price movements in the State, real total personal income in North Carolina increased 3.2 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 10.5 percent in North Carolina versus 12.8 percent nationally. In 1979:I, payrolls totaled \$26.0 billion in the State, up \$2.5 billion since 1978:I.

Payrolls in durable goods manufacturing increased 14.5 percent from year to year versus 16.2 percent nationally. In nondurables manufacturing, the State registered a 9.7-percent increase, about the same as nationally.

Construction payrolls increased 11.9 percent in North Carolina, compared with a national increase of 21.3 percent. The State's increase was one of the smallest in the Nation.

All of North Carolina's private service-type industries registered below-national-average payroll increases. In finance-insurance-real estate, the 9.0-percent increase was more than 4.0 percentage points less than nationally and was one of the smallest in the Nation. Transportation-communication-public utilities payrolls increased 10.5 percent versus 11.5 percent nationally. Similarly, trade payrolls increased 12.4 percent versus 13.7 percent nationally, and services payrolls increased 10.5 percent versus 11.7 percent nationally.

Federal Government payrolls increased only 5.5 percent in North Carolina, compared with a national increase of 7.6 percent. State and local government payrolls, which increased 7.8 percent from year to year versus 6.1 percent nationally, were the only payrolls that increased more in the State than in the Nation.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

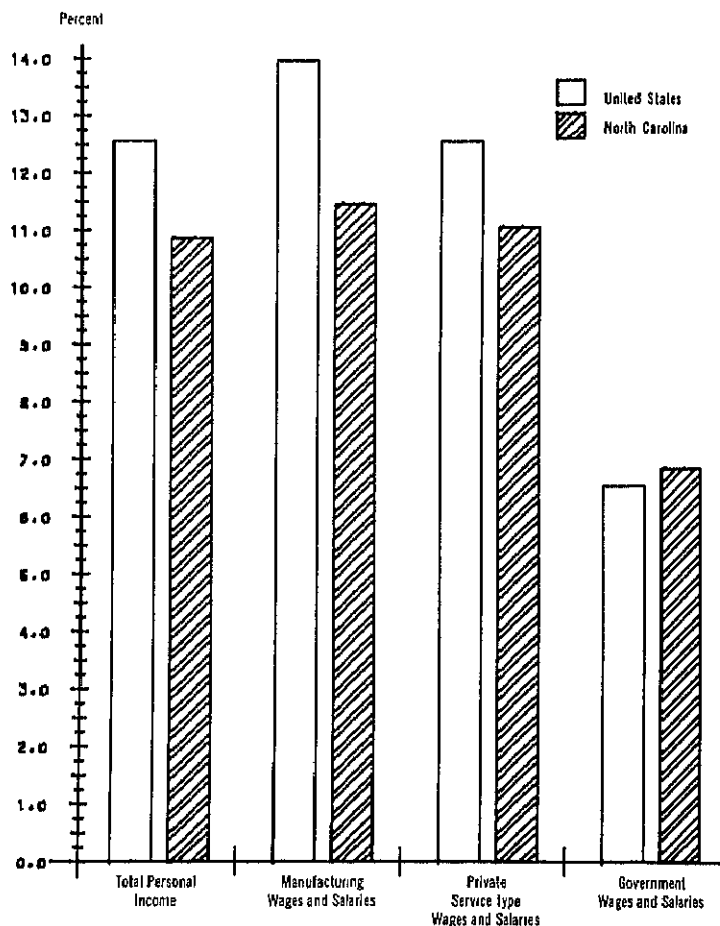


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

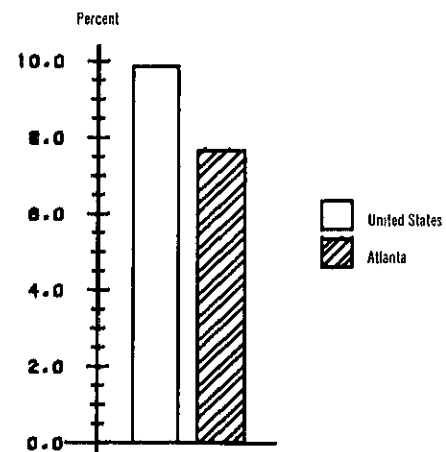


Chart 3.—Total Personal Income
[Seasonally adjusted]

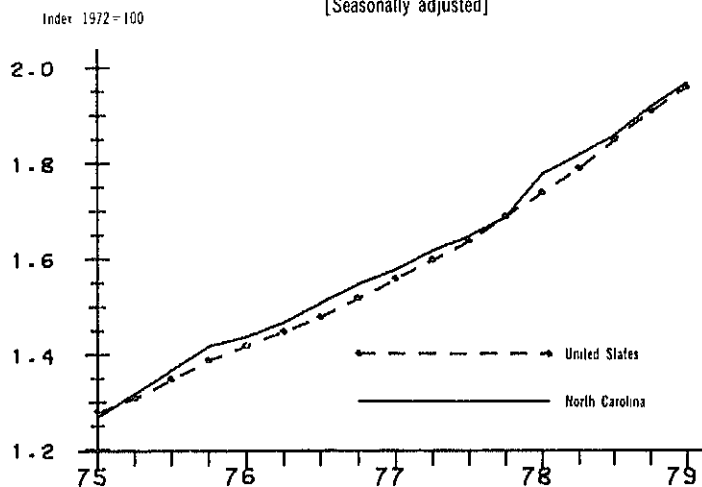


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

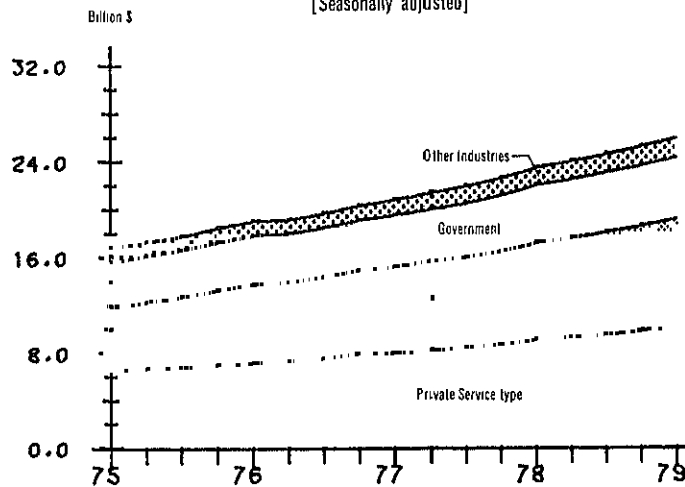


TABLE 2.—Personal Income, United States and North Carolina

	United States		North Carolina				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	33,837	35,527	38,322	39,387	12.6	13.3	12.6	10.9
Farm personal income	32,083	40,141	875	1,433	1,492	1,639	26.3	70.5	25.1	14.4
Nonfarm personal income	1,592,582	1,789,374	32,962	34,094	36,830	37,748	12.3	11.7	12.4	10.7
Total personal income	1,624,665	1,829,515	33,837	35,527	38,322	39,387	12.6	13.3	12.6	10.9
Wage and salary disbursements	1,042,716	1,176,598	22,604	23,550	25,272	26,017	12.6	11.8	12.8	10.5
Other labor income	99,957	115,833	1,934	2,034	2,214	2,289	16.4	14.5	15.9	12.6
Proprietors' income	108,808	126,535	2,319	2,922	3,141	3,278	18.9	35.4	16.3	12.2
Farm	24,448	31,221	644	1,203	1,252	1,385	31.3	94.5	27.7	15.1
Nonfarm	84,360	95,314	1,675	1,718	1,889	1,893	15.3	12.8	13.0	10.2
Dividends, interest, and rent	221,191	250,595	4,061	4,188	4,582	4,747	12.8	12.8	13.3	13.3
Transfer payments	219,202	238,794	4,436	4,476	4,832	4,925	8.2	8.9	8.9	10.0
State unemployment insurance benefits..	9,997	8,023	174	115	98	83	-30.3	-43.9	-19.7	-27.5
Less personal contributions	66,792	78,351	1,485	1,606	1,684	1,835	15.1	13.4	17.3	14.2
Plus residence adjustment	-417	-489	-33	-36	-34	-35	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	22,604	23,550	25,272	26,017	12.6	11.8	12.8	10.5
Farm	7,215	8,422	227	225	236	249	10.6	3.9	16.7	10.9
Nonfarm	1,035,501	1,168,176	22,377	23,325	25,036	25,767	12.6	11.9	12.8	10.5
Mining	12,013	19,166	53	52	68	69	33.9	27.1	59.5	32.3
Construction	56,564	68,593	1,075	1,097	1,206	1,228	20.1	12.1	21.3	11.9
Manufacturing	285,735	325,636	7,870	8,192	8,833	9,131	13.3	12.2	14.0	11.5
Durable goods	182,321	211,944	2,873	2,970	3,241	3,402	15.2	12.8	16.2	14.5
Nondurable goods	103,414	113,692	4,998	5,222	5,592	5,729	10.0	11.9	9.9	9.7
Private service type	473,132	532,823	8,710	9,097	9,810	10,111	13.1	12.6	12.6	11.1
Transportation, communication, and public utilities	79,598	88,755	1,478	1,552	1,649	1,716	11.3	11.6	11.5	10.5
Wholesale and retail trade	177,331	201,608	3,614	3,797	4,156	4,269	14.1	15.0	13.7	12.4
Finance, insurance, and real estate	55,930	63,373	919	934	991	1,018	13.2	7.8	13.3	9.0
Services	160,273	179,087	2,700	2,814	3,015	3,108	12.7	11.7	11.7	10.5
Government	204,558	218,008	4,612	4,826	5,054	5,160	6.9	9.6	6.6	6.9
Federal	68,698	73,916	1,723	1,876	1,927	1,979	7.1	11.8	7.6	5.5
State and local	135,860	144,092	2,889	2,950	3,127	3,181	6.8	8.3	6.1	7.8
Other	3,499	3,950	56	61	64	69	14.6	13.8	12.9	12.1

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source U S Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and North Carolina¹

	United States		North Carolina				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I		
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ² ...	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Atlanta ...	---	---	184.5	188.2	198.8	202.7	---	7.8	---	7.7

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2 Average for 85 representative urban areas based on the 1970 Census of Population.

Source U S Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, North Carolina's civilian labor force increased 1.5 percent versus 3.2 percent nationally (table 4). The State's increase was one of the smallest in the Nation. Total employment increased 2.4 percent (to over 2.5 million), compared with a 3.8-percent national increase.

With employment increasing by 60,000 and the labor force increasing by 40,000, the number of unemployed declined by 20,000, to 131,000. North

Carolina's unemployment rate declined to 4.9 percent of the labor force in 1979:I, 1.4 percentage points less than nationally. The State's unemployment rate was the lowest in the Southeast region.

Among North Carolina's major metropolitan areas, preliminary unemployment rates for March 1979, when the State's rate was 4.8 percent, ranged from 5.1 percent in Asheville to only 2.9 percent in Raleigh-Durham.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: North Carolina

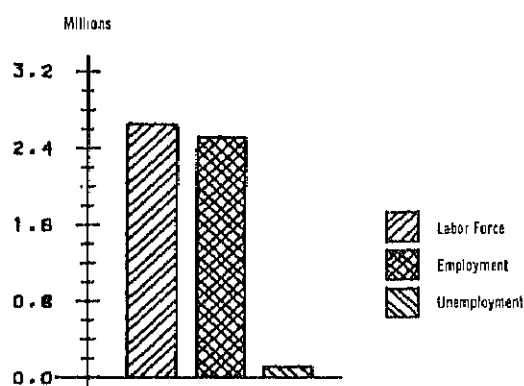


Chart 6.—Unemployment Rates, 1978:I—1979:I

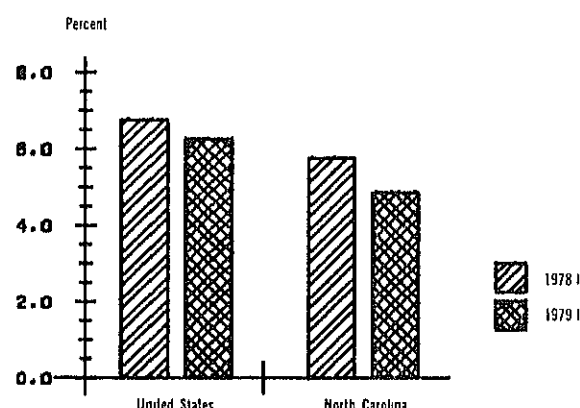


TABLE 4.—Labor Force, United States and North Carolina

	United States		North Carolina				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978:I	1978:IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	2,244	2,225	2,314	2,287	4.2	3.1	2.9	2.8
Mining	730	896	5	5	5	5	14.4	6.5	22.7	4.3
Construction	3,784	3,973	110	104	115	107	11.2	4.1	5.0	2.9
Manufacturing	20,064	20,652	795	792	814	809	3.6	2.4	2.9	2.2
Transportation, communication, and public utilities	4,779	4,943	105	105	110	110	4.4	4.2	3.4	4.3
Wholesale and retail trade	18,937	19,549	442	429	457	442	4.5	3.5	3.2	3.0
Finance, insurance, and real estate	4,601	4,790	85	85	86	86	5.2	.7	4.1	.6
Services	15,758	16,149	306	305	317	318	4.4	3.6	2.5	4.3
Government	15,435	15,648	396	400	410	411	1.4	3.6	1.4	2.6
Civilian labor force ³	98,106	101,260	2,614	2,631	2,673	2,671	3.1	2.3	3.2	1.5
Total employed	91,401	94,901	2,481	2,480	2,585	2,540	3.9	4.2	3.8	2.4
Total unemployed	6,705	6,360	133	151	88	131	-8.8	-33.6	-5.1	-13.6
Percent unemployed	6.8	6.3	5.1	5.8	3.3	4.9	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

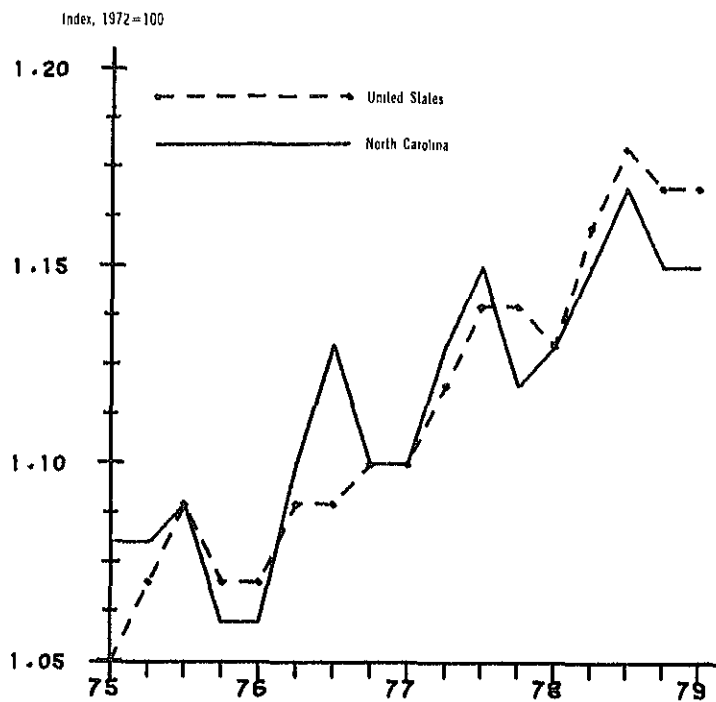


Chart 8.—Civilian Employment

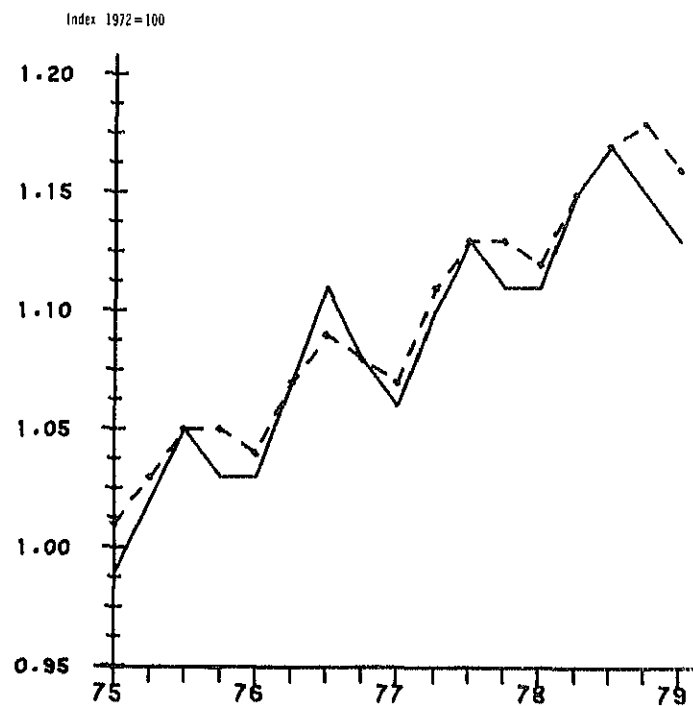


Chart 9.—Unemployment Rate

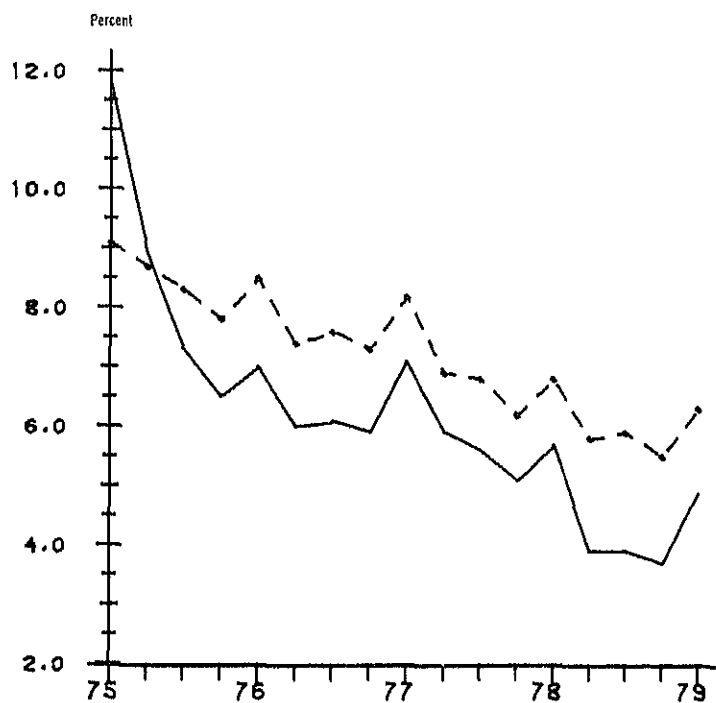
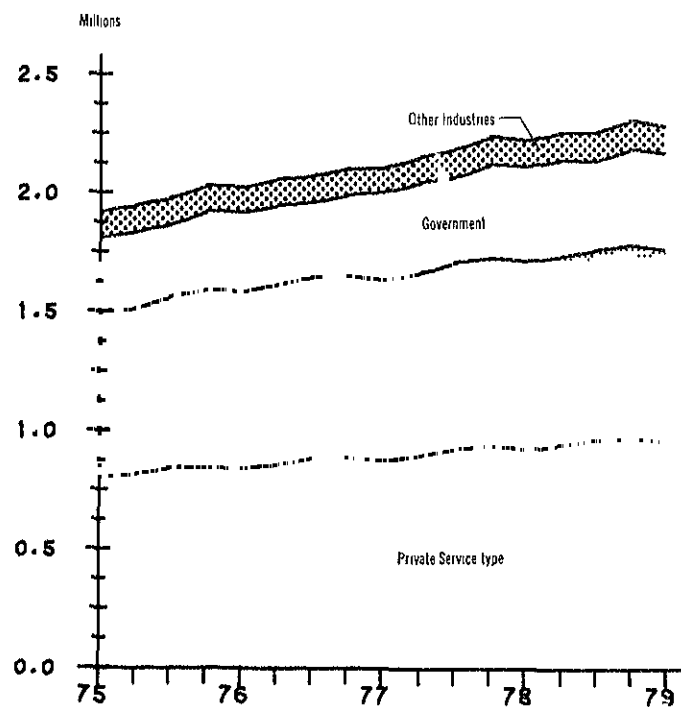


Chart 10.—Industrial Composition of Nonagricultural Employment: North Carolina



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and North Carolina

	United States		North Carolina				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	9,535	9,784	10,752	n.a.	15.6	12.8	---	---
Commercial and industrial	202,241	n.a.	3,163	3,285	3,439	n.a.	13.3	8.7	---	---
Loans to individuals	143,356	n.a.	3,484	3,504	3,894	n.a.	18.7	11.8	---	---
Real estate	183,599	n.a.	2,026	2,134	2,426	n.a.	19.6	19.8	---	---
Residential	104,830	n.a.	839	907	1,062	n.a.	22.1	26.6	---	---
Farms	7,919	n.a.	104	108	104	n.a.	9.6	-7	---	---
Other	70,851	n.a.	1,083	1,119	1,261	n.a.	17.0	16.5	---	---
Farms, excluding real estate	25,440	n.a.	253	288	238	n.a.	9.5	-6.0	---	---
Other	64,581	n.a.	609	574	755	n.a.	7.9	24.1	---	---
Total deposits	911,772	n.a.	14,419	13,920	15,843	n.a.	9.3	9.9	---	---
Demand	344,245	n.a.	6,160	5,538	6,671	n.a.	5.6	8.3	---	---
Time and savings	567,527	n.a.	8,259	8,382	9,172	n.a.	11.9	11.1	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 12.8 percent (\$1.2 billion) in North Carolina from 1977:IV to 1978:IV, 2.8 percentage points less than nationally (table 5). In 1978:IV, bank loans totaled \$10.8 billion in the State. Commercial and industrial loans increased 8.7 percent from year to year versus 13.3 percent nationally, and loans to individuals increased 11.8 percent versus 18.7 percent nationally. North Carolina's increases in these two types of loans were among the smallest in the Nation. Real estate loans increased 19.8 percent in the State, about the same as nationally. A 26.6-

percent increase in the State's residential real estate loans was one of the largest nationally and compared favorably with a 22.1-percent national increase. In sharp contrast, farm real estate loans declined 0.7 percent from year to year versus an increase of 9.6 percent nationally. Farm loans, excluding those for real estate, declined 6.0 percent in the State versus a national increase of 9.5 percent.

Total deposits increased 9.9 percent (\$1.4 billion) from 1977:IV to 1978:IV versus 9.3 percent nationally. In 1978:IV, bank deposits totaled \$15.8 billion in the State. Demand deposits increased 8.3 percent from year to year versus 5.6 percent nationally, and time and savings deposits increased 11.1 percent versus 11.9 percent nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 19.4 percent (\$182.9 million), to \$1.1 billion (table 6). The national increase was slightly more—19.8 percent. National construction costs increased about 14 percent during the same timespan, and if this increase is representative of the cost increase throughout the State, the real increase in the total valuation of contracts in North Carolina was slightly more than 5 percent versus a national increase of almost 6 percent.

Nonresidential contracts increased 28.6 percent (\$59.2 million) in valuation, slightly more than nationally.

The valuation of nonbuilding contracts increased 70.4 percent (\$86.5 million), almost three times as much as nationally. Street and highway

contracts, a major component of nonbuilding contracts, increased 57.1 percent in valuation (\$37.8 million), lagging the Nation's increase by 4.1 percentage points.

The valuation of contracts for additions and alterations to residential housekeeping units increased 30.8 percent (\$43.8 million) versus 17.9 percent nationally. North Carolina's increase was the ninth largest among all States. The valuation of contracts for new residential housekeeping units, in contrast, was about unchanged in the State, compared with an 11.8-percent increase nationally. The number of dwelling units started in the State declined 4.1 percent (556 units), to 13,005, compared with a national increase of 2.6 percent.

Chart 14.—Construction Contracts—Total Valuation

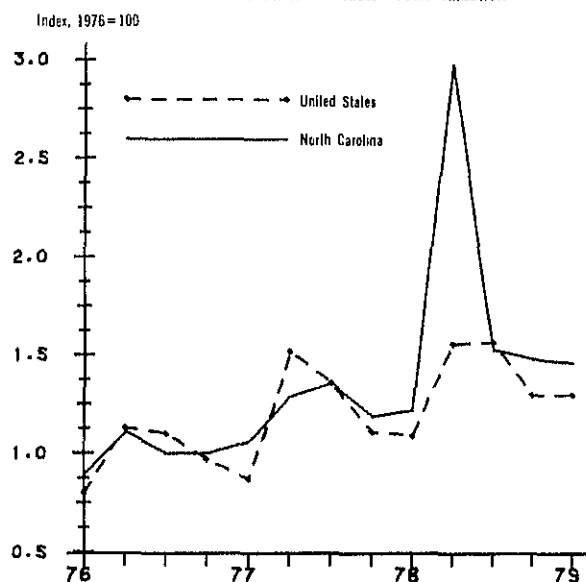


Chart 15.—Construction Contracts—Valuation of Contracts by Type: North Carolina

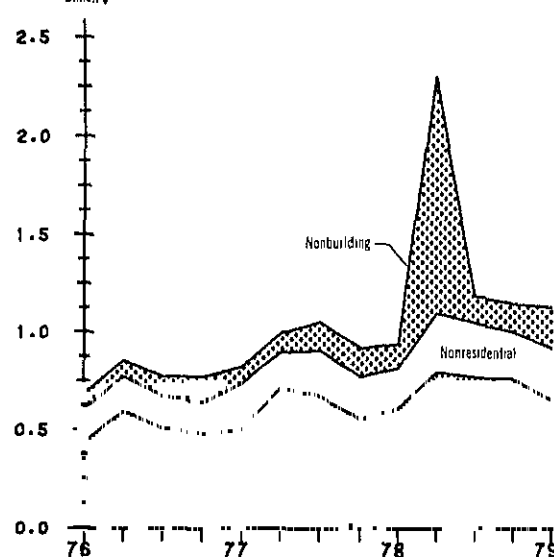


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

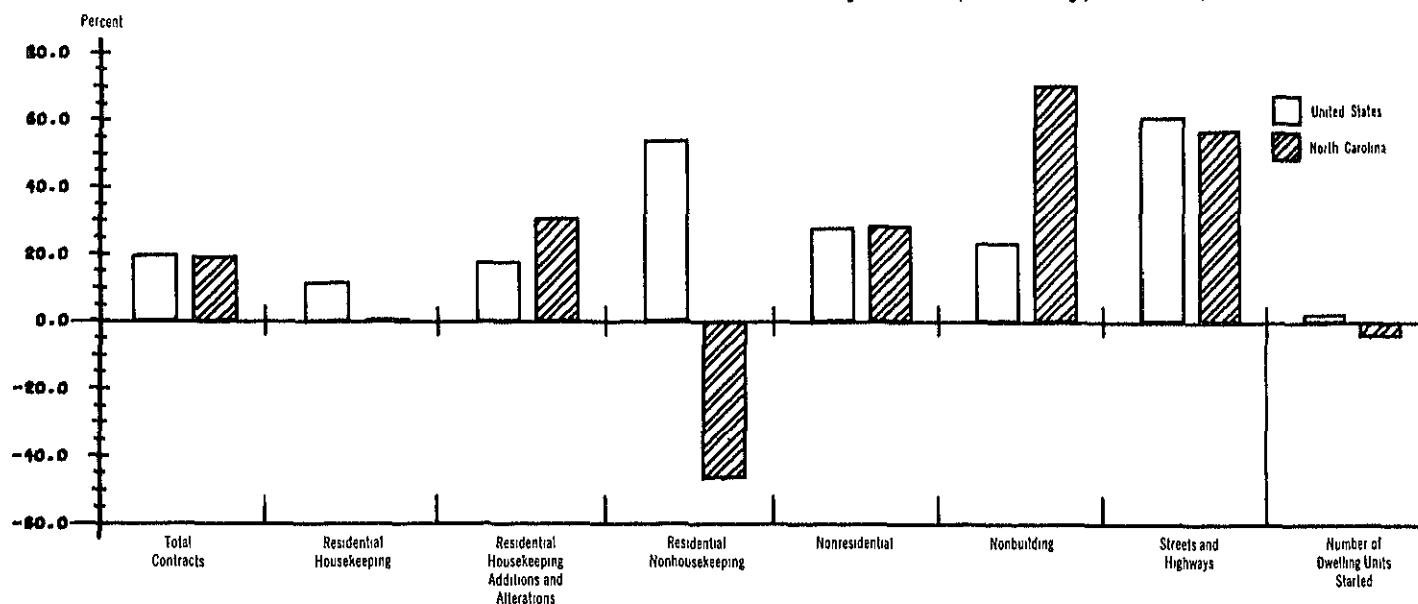


TABLE 6.—Construction Contracts, United States and North Carolina¹

	United States		North Carolina				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978.IV	1978 I— 1979 I		
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	916,479	941,290	1,144,672	1,124,156	16.8	24.9	19.8	19.4
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	166,837	142,510	220,082	186,358	14.6	31.9	17.9	30.8
All other contracts										
Number of contracts	53,028	53,454	1,431	1,308	1,520	1,394	-9.3	6.2	8	6.6
Valuation (thousands of dollars)	32,202,931	38,675,376	749,642	798,780	924,590	937,798	17.3	23.3	20.1	17.4
Floor area (thousands of square feet)	807,538	904,811	28,472	30,562	35,526	29,810	10.3	24.8	12.0	-2.5
Residential housekeeping										
Number of contracts	13,592	14,399	376	387	438	432	-4.3	16.5	5.9	11.6
Number of dwelling units	404,171	414,826	12,032	13,561	16,109	13,005	-2	33.9	2.6	-4.1
Valuation (thousands of dollars)	13,806,696	15,431,523	383,780	448,330	533,281	451,493	15.6	39.0	11.8	7
Floor area (thousands of square feet)	546,445	571,860	20,569	24,071	27,431	22,114	10.7	33.4	4.7	-8.1
Residential nonhousekeeping										
Number of contracts	441	464	9	14	8	6	-4	-11.1	5.2	-57.1
Valuation (thousands of dollars)	327,201	504,158	1,053	20,983	8,963	11,180	54.9	751.2	54.1	-46.7
Floor area (thousands of square feet)	8,179	11,483	33	560	207	239	34.7	535.6	40.4	-57.4
Nonresidential										
Number of contracts	25,282	23,514	699	614	682	620	-12.0	-2.4	-7.0	1.0
Valuation (thousands of dollars)	9,056,146	11,595,243	217,606	206,625	237,048	265,794	16.3	8.9	28.0	28.6
Floor area (thousands of square feet)	252,915	321,468	7,870	5,931	7,888	7,457	8.7	2	27.1	25.7
Nonbuilding										
Number of contracts	13,713	15,077	347	293	392	336	-9.1	13.0	9.9	14.7
Valuation (thousands of dollars)	9,012,888	11,144,452	147,203	122,842	145,298	209,331	20.6	-1.3	23.7	70.4
Streets and Highways										
Number of contracts	3,989	4,750	84	77	122	98	-17.8	45.2	19.1	27.3
Valuation (thousands of dollars)	1,399,453	2,255,221	60,724	66,066	55,148	103,818	-18.1	-9.2	61.2	57.1

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw Hill Information Systems Company

NOTE: Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in North Carolina totaled more than \$4.4 billion in 1979:I, increase of 15.8 percent (table 7). In 1979:I, nondurable goods totaled up 10.4 percent (\$419 million) since 1978:I, compared with a national \$2.8 billion, and durable goods totaled \$1.7 billion.

TABLE 7.—Retail Sales, United States and North Carolina

	United States		North Carolina				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I		
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	4,452	4,020	4,882	4,439	11.2	9.7	15.8	10.4
Durable goods	55,388	68,203	n.a.	n.a.	1,688	1,685	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	3,194	2,754	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

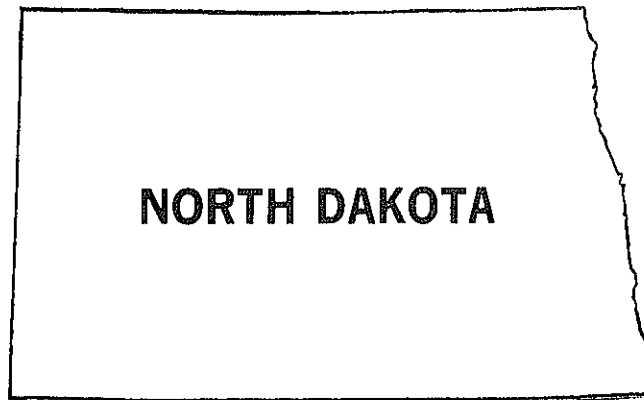
TABLE 8.—Business Incorporations and Failures, United States and North Carolina

	United States		North Carolina				U S	State	U.S.	State
	1978 I	1979 I	1977.IV	1978:I	1978.IV	1979:I	1977.IV— 1978.IV		1978.I— 1979.I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,976	2,167	2,008	n.a.	13.2	1.6	---	---
Total number of business failures	1,729	n.a.	8	6	21	n.a.	-4.9	162.5	---	---
Current liabilities (thousands of dollars)	697,734	n.a	499	649	3,605	n.a.	13.7	622.4	---	---
Average liability per failure (thousands of dollars)	404	n.a.	62	108	172	n.a.	19.4	177.4	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	1	0	1	n.a.	6.0	.0	---	---
Construction	279	n.a.	2	1	7	n.a	-8.2	250.0	---	---
Wholesale trade	205	n.a.	0	1	3	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	2	4	8	n.a.	-4	300.0	---	---
Commercial services	205	n.a.	3	0	2	n.a	-23.5	-33.3	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE: This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 6.9% vs. 12.6% in U.S., to \$5.0 billion
- Farm personal income down 24.5% vs. 25.1% increase in U.S.
- Payrolls up 15.4% in trade vs. 13.7% in U.S.

Employment

- Up 4.1% vs. 3.8% in U.S., to 269,000

Unemployment

- Down 1,000, to 16,000
- Rate down to 5.7% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up 58.0% vs. 19.8% in U.S., to \$113.4 million
- Valuation of nonbuilding contracts up 168.1% vs. 23.7% in U.S.
- Number of dwelling-unit starts down 20.8% vs. 2.6% increase in U.S.

TABLE 1.—Summary of Economic Indicators, United States and North Dakota

	United States		North Dakota				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978 I	1978 IV	1979:I	1977 IV— 1978 IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	4,323	4,644	5,358	4,963	12.6	23.9	12.6	6.9
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	2,328	2,421	2,641	2,751	12.6	13.5	12.8	13.6
Civilian employment (thousands)	91,401	94,901	273	259	272	269	3.9	- 2	3.8	4.1
Unemployment (thousands)	6,705	6,360	13	17	13	16	-8.8	3.5	-5.1	-6.5
Percent unemployed (unemployment/labor force)	6.8	6.3	4.5	6.3	4.6	5.7	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	2,013	2,031	2,208	n.a.	15.6	9.7	---	---
Total deposits (millions of dollars)	911,772	n.a.	3,144	3,221	3,341	n.a.	9.3	6.3	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	330,152	71,789	160,907	113,420	16.8	-51.3	19.8	58.0
Dwelling units started (number)	404,171	414,826	1,822	725	1,766	574	-2	-3.1	2.6	-20.8
Total retail sales (millions of dollars)	167,940	194,529	n.a	n.a	n.a.	n.a	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a	209	277	258	n.a	13.2	23.4	---	---
Business failures (number)	1,729	n.a.	5	4	2	n.a	-4.9	-60.0	---	---
Consumer Price Index (1967=100)										
U.S. city average...	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n.a.: Data not available.

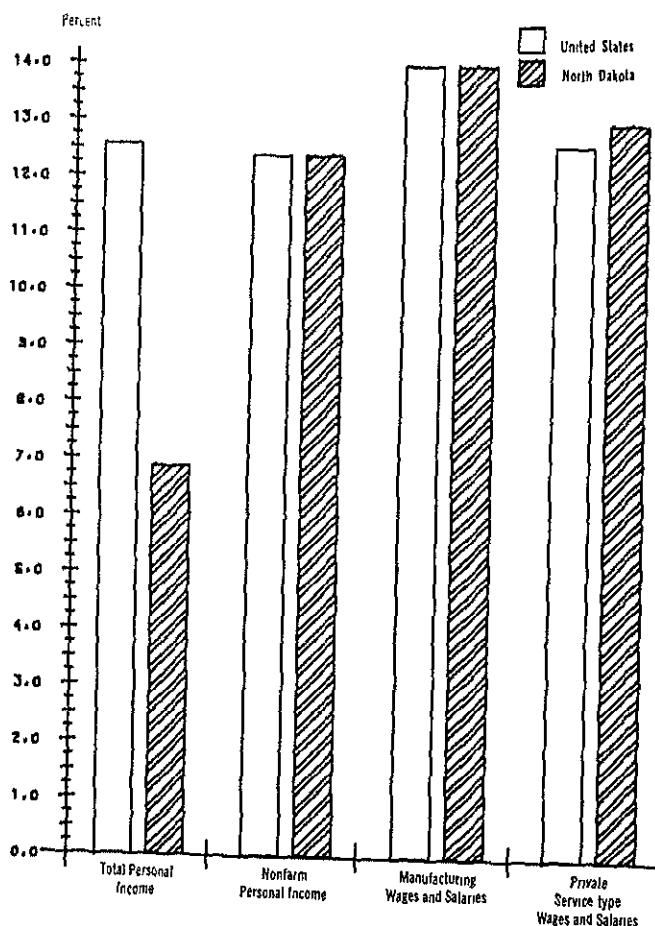
Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in North Dakota increased 6.9 percent from 1978:1 to 1979:1, nearly 6.0 percentage points less than nationally (table 2). The State's increase, the second smallest in the Nation, after Alaska's, brought personal income to a total of almost \$5.0 billion, up \$319 million since 1978:1. North Dakota's lag in total personal income growth was primarily due to a 24.5-percent decline in farm personal income versus a 25.1-percent national increase. Farm income accounted for 10.7 percent of personal income in the State in 1979:1, compared with a national weight of only 2.2 percent. Nonfarm income in the State increased 12.4 percent from year to year, the same as nationally.

Chart 1.—Personal Income, Percent Change, 1978:1–1979:1
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 13.6 percent (to \$2.8 billion) from 1978:1 to 1979:1 versus 12.8 percent nationally. Payrolls in the private service-type group increased 13.0 percent in North Dakota versus 12.6 percent in the Nation. Increases in transportation-communication-public utilities payrolls and finance-insurance-real estate payrolls were between 3 and 4 percentage points larger than those of national counterparts. Trade payrolls increased 15.4 percent in the State, compared with 13.7 percent in the Nation.

Increases in mining and construction payrolls were among the largest in the Nation; mining payrolls increased 63.9 percent versus 59.5 percent nationally, and construction payrolls increased 25.8 percent versus 21.3 percent nationally.

Nondurables manufacturing payrolls increased 15.3 percent in the State, over 5.0 percentage points more than nationally. In contrast, durables manufacturing payrolls increased 12.9 percent, about 4.0 percentage points less than nationally.

State and local government payrolls increased 6.9 percent versus 6.1 percent nationally; in contrast, Federal Government payrolls increased 3.6 percent versus 7.6 percent nationally.

The increase in services payrolls in North Dakota—6.6 percent versus 11.7 percent nationally—was the smallest among all States.

Chart 2.—Consumer Price Index, Percent Change, 1978:1–1979:1

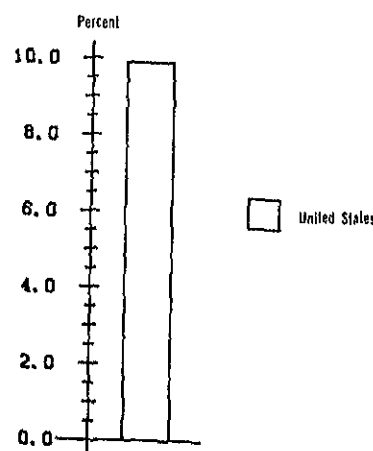


Chart 3.—Total Personal Income
[Seasonally adjusted]

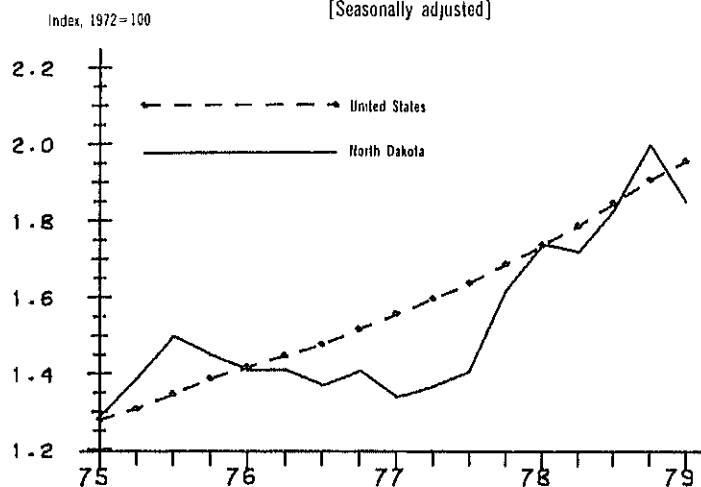


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

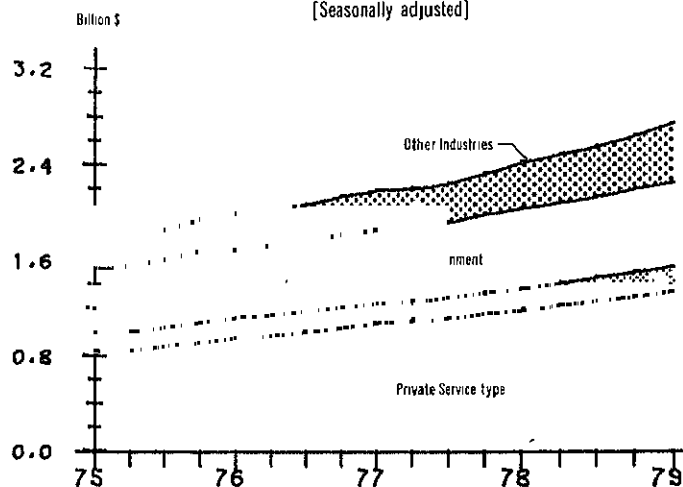


TABLE 2.—Personal Income, United States and North Dakota

	United States		North Dakota				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	4,323	4,644	5,358	4,963	12.6	23.9	12.6	6.9
Farm personal income	32,083	40,141	508	700	1,055	529	26.3	107.5	25.1	-24.5
Nonfarm personal income	1,592,582	1,789,374	3,815	3,944	4,303	4,434	12.3	12.8	12.4	12.4
Total personal income	1,624,665	1,829,515	4,323	4,644	5,358	4,963	12.6	23.9	12.6	6.9
Wage and salary disbursements	1,042,716	1,176,598	2,328	2,421	2,641	2,751	12.6	13.5	12.8	13.6
Other labor income	99,957	115,833	173	181	204	213	16.4	18.1	15.9	17.4
Proprietors' income	108,808	126,535	763	975	1,364	843	18.9	78.8	16.3	-13.6
Farm	24,448	31,221	454	646	996	466	31.3	119.3	27.7	-27.8
Nonfarm	84,360	95,314	309	329	368	377	15.3	19.2	13.0	14.4
Dividends, interest, and rent	221,191	250,595	811	837	908	940	12.8	12.0	13.3	12.3
Transfer payments	219,202	238,794	548	548	591	595	8.2	7.8	8.9	8.5
State unemployment insurance benefits	9,997	8,023	34	23	26	18	-30.3	-23.0	-19.7	-21.4
Less personal contributions	66,792	78,351	193	210	227	251	15.1	17.5	17.3	19.7
Plus residence adjustment	-417	-489	-106	-110	-123	-128	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	2,328	2,421	2,641	2,751	12.6	13.5	12.8	13.6
Farm	7,215	8,422	53	53	57	61	10.6	8.8	16.7	14.8
Nonfarm	1,035,501	1,168,176	2,275	2,369	2,583	2,691	12.6	13.6	12.8	13.6
Mining	12,013	19,166	52	59	84	96	33.9	61.1	59.5	63.9
Construction	56,564	68,593	225	260	289	327	20.1	28.6	21.3	25.8
Manufacturing	285,735	325,636	171	182	208	208	13.3	21.4	14.0	14.0
Durable goods	182,321	211,944	93	98	112	110	15.2	21.0	16.2	12.9
Nondurable goods	103,414	113,692	78	85	95	98	10.0	21.8	9.9	15.3
Private service type	473,132	532,823	1,163	1,187	1,300	1,341	13.1	11.8	12.6	13.0
Transportation, communication, and public utilities	79,598	88,755	214	217	240	251	11.3	11.7	11.5	15.9
Wholesale and retail trade	177,331	201,608	507	516	578	596	14.1	14.1	13.7	15.4
Finance, insurance, and real estate	55,930	63,373	104	106	121	124	13.2	16.5	13.3	16.4
Services	160,273	179,087	338	348	361	371	12.7	6.8	11.7	6.6
Government	204,558	218,008	656	672	693	708	6.9	5.8	6.6	5.4
Federal	68,698	73,916	292	298	303	309	7.1	3.8	7.6	3.6
State and local	135,860	144,092	364	373	390	399	6.8	7.3	6.1	6.9
Other	3,499	3,950	8	9	9	10	14.6	15.1	12.9	13.4

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and North Dakota¹

	United States		North Dakota				U S	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ² ..	188.4	207.0	---	---	---	---	8.9	---	9.9	---

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, North Dakota's civilian labor force increased 3.4 percent, compared with 3.2 percent nationally (table 4). Total employment increased 4.1 percent versus 3.8 percent nationally, to 269,000.

With the labor force increasing 9,000 and employment increasing 10,000, the number of unemployed declined 1,000, to 16,000. The State's

unemployment rate declined 0.6 percentage point, to 5.7 percent of the labor force in 1979:I, compared with 6.3 percent nationally.

In March 1979, the preliminary unemployment rate in the State was 5.0 percent, down 0.6 percentage point since March 1978. In Fargo-Moorhead, the State's major metropolitan area, the rate was 4.2 percent, up 0.2 percentage point.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: North Dakota

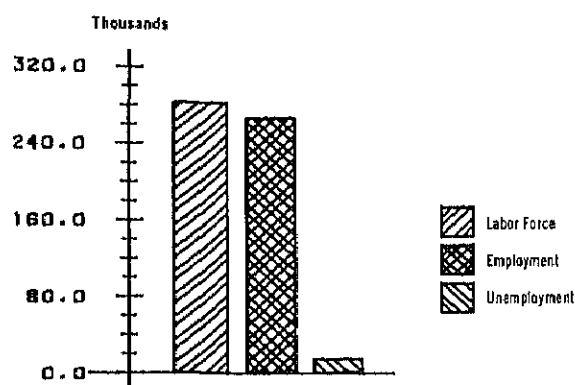


Chart 6.—Unemployment Rates, 1978:I—1979:I

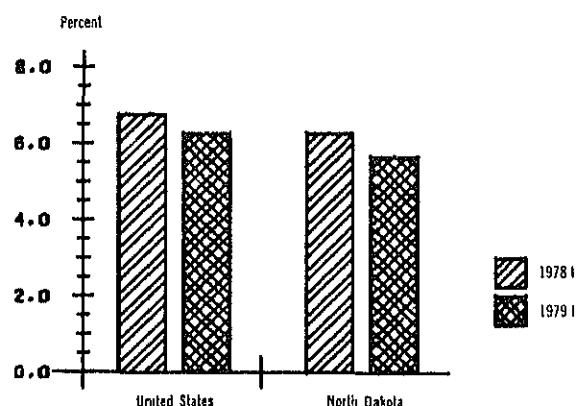


TABLE 4.—Labor Force, United States and North Dakota

	United States		North Dakota				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I	1978:I— 1979:I	1978:I— 1979:I
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	34,207	36,680	227	220	240	232	4.2	5.6	2.9	5.6
Mining	730	896	3	4	5	5	14.4	47.1	22.7	42.9
Construction	3,784	3,973	18	13	20	16	11.2	14.0	5.0	18.3
Manufacturing	20,064	20,652	16	15	17	16	3.6	5.7	2.9	5.2
Transportation, communication, and public utilities	4,779	4,943	14	14	15	15	4.4	8.5	3.4	7.9
Wholesale and retail trade	18,937	19,549	63	61	66	64	4.5	4.7	3.2	5.4
Finance, insurance, and real estate	4,601	4,790	10	10	11	11	5.2	5.9	4.1	5.9
Services	15,758	16,149	43	44	46	46	4.4	5.8	2.5	5.0
Government	15,435	15,648	59	59	59	59	1.4	.8	1.4	.7
Civilian labor force ³	98,106	101,260	285	276	285	285	3.1	.0	3.2	3.4
Total employed	91,401	94,901	273	259	272	269	3.9	—2	3.8	4.1
Total unemployed	6,705	6,360	13	17	13	16	—8.8	3.5	—5.1	—6.5
Percent unemployed	6.8	6.3	4.5	6.3	4.6	5.7	—	—	—	—

1 Detail may not add to totals because of rounding

2 Based on unrounded data.

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

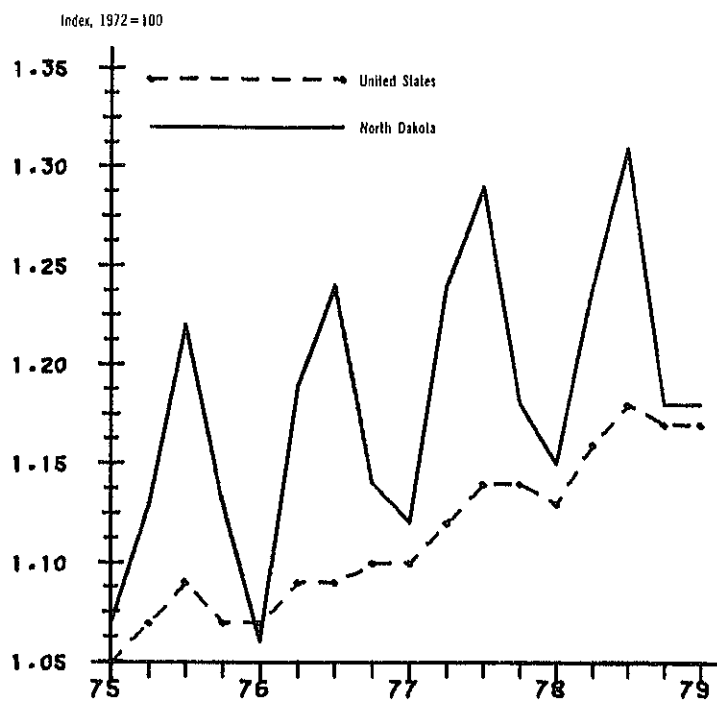


Chart 8.—Civilian Employment

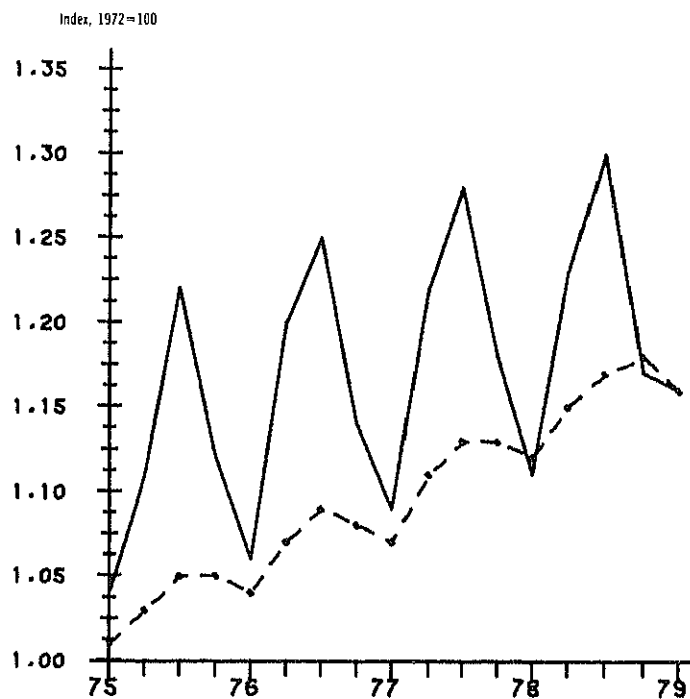


Chart 9.—Unemployment Rate

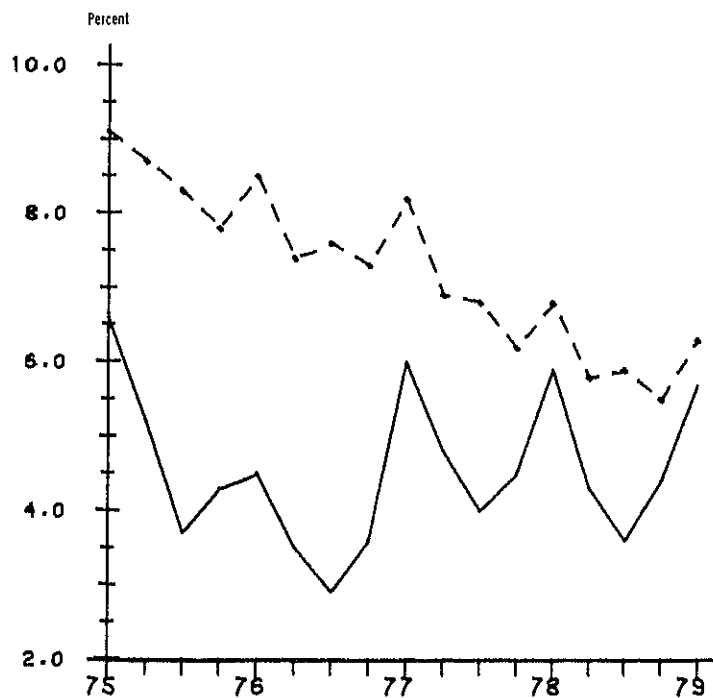
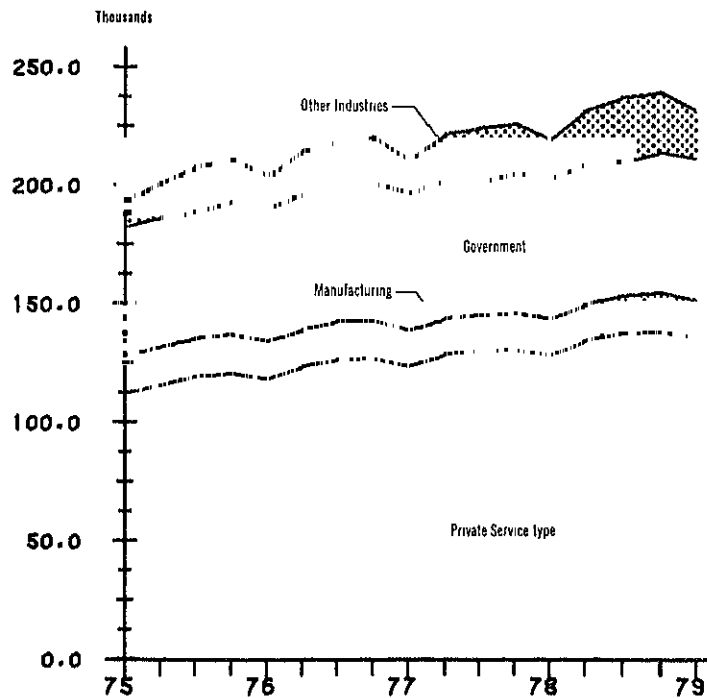


Chart 10.—Industrial Composition of Nonagricultural Employment: North Dakota



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and North Dakota

	United States		North Dakota				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n a.	2,013	2,031	2,208	n.a.	15.6	9.7	---	---
Commercial and industrial	202,241	n a.	498	531	562	n a	13.3	13 0	---	---
Loans to individuals	143,356	n a	406	411	450	n.a	18.7	10 8	---	---
Real estate	183,599	n a	511	525	564	n a	19.6	10 4	---	---
Residential	104,830	n a	289	294	320	n a	22 1	11 0	---	---
Farms	7,919	n a	68	67	72	n a	9 6	5 8	---	---
Other	70,851	n a	155	164	172	n a	17 0	11.3	---	---
Farms, excluding real estate	25,440	n a	576	541	604	n a	9 5	4 8	---	---
Other	64,581	n a	22	23	28	n a.	7.9	27 9	---	---
Total deposits	911,772	n.a	3,144	3,221	3,341	n.a	9.3	6.3	---	---
Demand	344,245	n.a	1,049	978	1,099	n.a.	5 6	4 8	---	---
Time and savings	567,527	n a	2,095	2,244	2,242	n a	11 9	7 0	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in North Dakota increased 9.7 percent from 1977:IV to 1978:IV, about 6.0 percentage points less than nationally (table 5). North Dakota's increase, the fourth smallest in the Nation after Georgia's, Nebraska's, and Alaska's, brought bank loans to a total of \$2.2 billion, up \$195 million since 1977:IV. State increases in both loans to individuals and real estate loans ranked 47th in the Nation; loans to individuals increased 10.8 percent versus 18.7 percent nationally, and

real estate loans increased 10.4 percent versus 19.6 percent nationally. Farm loans, excluding real estate, increased 4.8 percent in the State versus 9.5 percent in the Nation. Commercial and industrial loans increased 13.0 percent, 0.3 percentage point less than nationally.

Total deposits in North Dakota increased 6.3 percent versus 9.3 percent nationally. In 1978:IV, bank deposits totaled \$3.3 billion, up \$197 million since 1977:IV. Demand deposits increased 4.8 percent versus 5.6 percent nationally. Time and savings deposits increased 7.0 percent, about 5.0 percentage points less than nationally and the second smallest increase in the Nation, after New Jersey's.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 58.0 percent (\$41.6 million), to \$113.4 million (table 6). North Dakota's rate of increase, the ninth highest in the Nation, exceeded the national rate by about 38 percentage points. With the exception of residential housekeeping, all major construction categories in the State increased at rates that were substantially higher than corresponding national rates.

The year-to-year increase in the valuation of North Dakota's nonbuilding contracts accounted for a major share of the increase in the State's total valuation of contracts. Nonbuilding contracts increased 168.1 percent in valuation (\$29.8 million), compared with a 23.7-percent increase nationally, the State's percentage increase ranked eighth among all States. A major component of nonbuilding contracts, street and highway contracts, increased 180.0 percent in valuation (\$17.8 million), almost three times the national rate of increase.

The valuation of North Dakota's nonresidential contracts increased 90.2 percent from year to year (\$10.6 million), and again the State's percentage increase was three times the Nation's.

Additions and alterations to residential housekeeping units increased 22.6 percent in valuation (\$3.5 million) versus 17.9 percent in the Nation.

In contrast to the State's relative strength in the above-mentioned markets, the market for the construction of new residential housekeeping units was one of the weakest in the Nation. The valuation of residential housekeeping contracts declined 8.0 percent (\$2.1 million) in North Dakota, compared with an 11.8-percent increase in the Nation. The number of dwelling units started in the State declined almost 21 percent versus a 2.6-percent increase nationally.

Chart 14.—Construction Contracts—Total Valuation

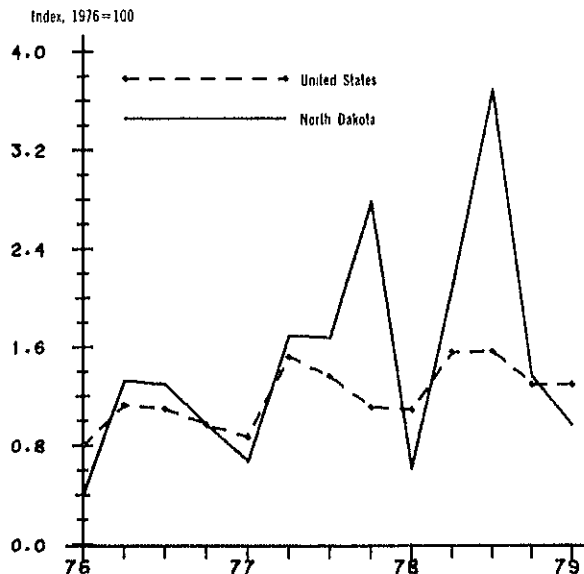


Chart 15.—Construction Contracts—Valuation of Contracts by Type: North Dakota

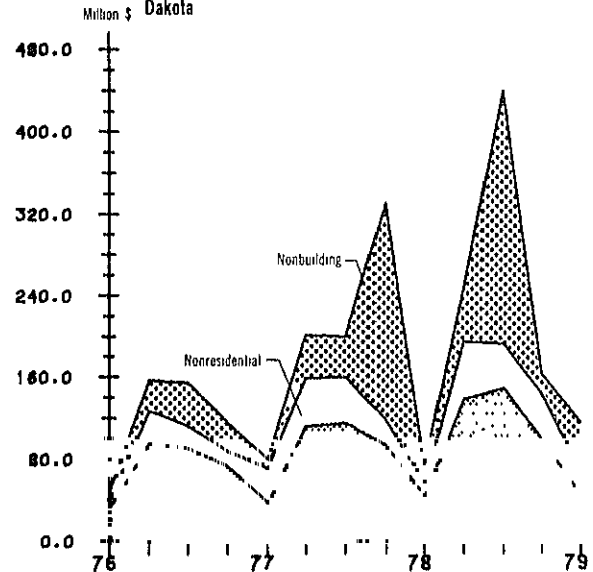


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

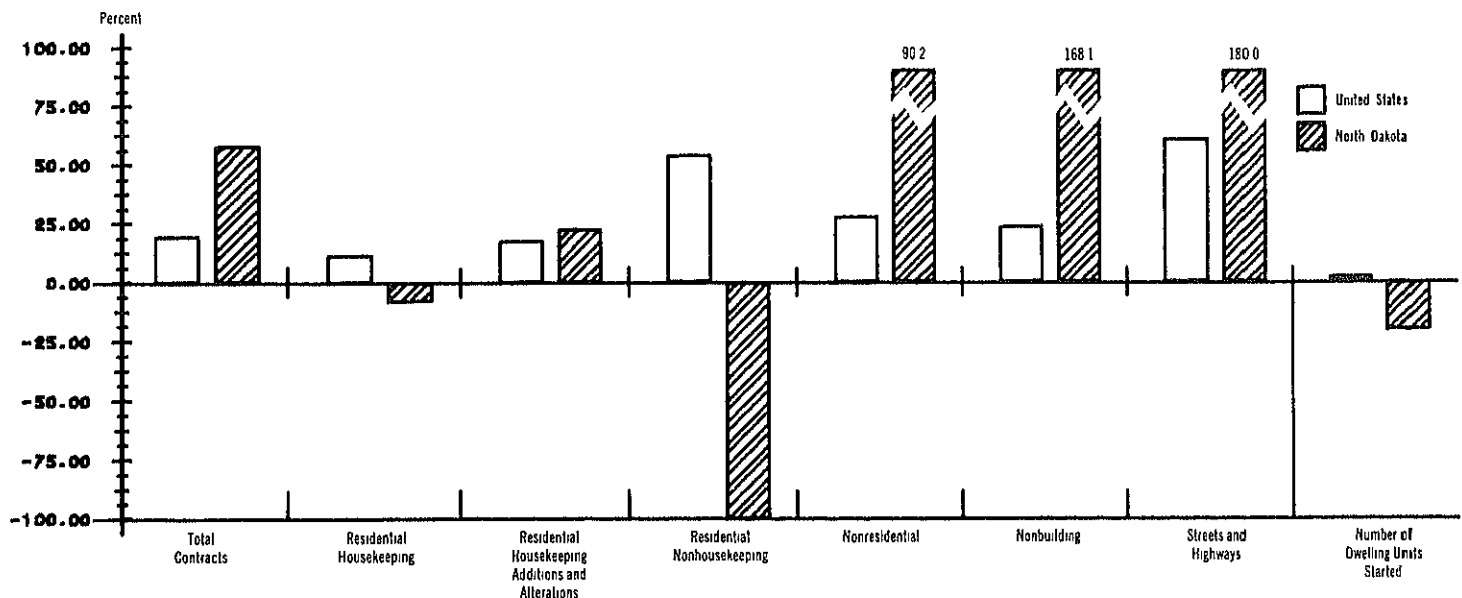


TABLE 6.—Construction Contracts, United States and North Dakota¹

	United States		North Dakota				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV- 1978 IV		1978 I- 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	330,152	71,789	160,907	113,420	16.8	-51.3	19.8	58.0
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	26,509	15,384	26,557	18,860	14.6	2	17.9	22.6
All other contracts										
Number of contracts	53,028	53,454	541	297	412	372	-9.3	-23.8	8	25.3
Valuation (thousands of dollars)	32,202,931	38,675,376	303,643	56,405	134,350	94,560	17.3	-55.8	20.1	67.6
Floor area (thousands of square feet)	807,538	904,811	3,447	1,397	3,859	1,530	10.3	11.9	12.0	9.5
Residential housekeeping										
Number of contracts	13,592	14,399	219	168	207	176	-4.3	-5.5	5.9	4.8
Number of dwelling units	404,171	414,826	1,822	725	1,766	574	-2	-3.1	2.6	-20.8
Valuation (thousands of dollars)	13,806,696	15,431,523	63,338	26,808	69,407	24,662	15.6	9.6	11.8	-8.0
Floor area (thousands of square feet)	546,445	571,860	2,413	970	2,528	820	10.7	4.8	4.7	-15.4
Residential nonhousekeeping										
Number of contracts	441	464	7	1	7	0	-4	.0	5.2	---
Valuation (thousands of dollars)	327,201	504,158	1,964	110	1,700	0	54.9	-13.4	54.1	---
Floor area (thousands of square feet)	8,179	11,483	72	0	41	0	34.7	-43.0	40.4	---
Nonresidential										
Number of contracts	25,282	23,514	130	50	108	57	-12.0	-16.9	-7.0	14.0
Valuation (thousands of dollars)	9,056,146	11,595,243	24,825	11,760	43,657	22,367	16.3	75.9	28.0	90.2
Floor area (thousands of square feet)	252,915	321,468	962	427	1,290	710	8.7	34.0	27.1	66.3
Nonbuilding										
Number of contracts	13,713	15,077	185	78	90	139	-9.1	-51.4	9.9	78.2
Valuation (thousands of dollars)	9,012,888	11,144,452	213,516	17,727	19,586	47,531	20.6	-90.8	23.7	168.1
Streets and Highways										
Number of contracts	3,989	4,750	61	30	24	77	-17.8	-60.7	19.1	156.7
Valuation (thousands of dollars)	1,399,453	2,255,221	17,184	9,916	9,906	27,762	-18.1	-42.4	61.2	180.0

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for North Dakota are not available.

TABLE 7.—Retail Sales, United States and North Dakota

	United States		North Dakota				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV-- 1978 IV	1978 I-- 1979 I		
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and North Dakota

	United States		North Dakota				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	209	277	258	n.a.	13.2	23.4	---	---
Total number of business failures	1,729	n.a.	5	4	2	n.a.	-4.9	-60.0	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	461	299	527	n.a.	13.7	14.3	---	---
Average liability per failure (thousands of dollars)	404	n.a.	92	75	264	n.a.	19.4	187.0	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	1	0	0	n.a.	6.0	---	---	---
Construction	279	n.a.	1	1	2	n.a.	-8.2	100.0	---	---
Wholesale trade	205	n.a.	0	0	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	2	3	0	n.a.	-.4	---	---	---
Commercial services	205	n.a.	1	0	0	n.a.	-23.5	---	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 13.5%, 0.9 percentage point more than in U.S. —Nondurable goods manufacturing and mining strong
Consumer prices	—Up 11.5% in Cincinnati and 13.1 percent in Cleveland vs. 9.9% in U.S.
Employment	—Up 4.9% vs. 3.8% in U.S., to 4.7 million
Unemployment	—Up 27,000, to 320,000 —Rate up to 6.4% of labor force vs. 6.3% in U.S.
Construction	—Total valuation of contracts up 11.4% vs. 19.8% in U.S., to \$1.5 billion —Small decline in valuation of nonbuilding contracts —Number of dwelling-unit starts down 4.2% vs. an increase of 2.6% in U.S., to 10,658
Retail sales	—Up 17.7% vs. 15.8% in U.S., to \$9.4 billion

TABLE 1.—Summary of Economic Indicators, United States and Ohio

	United States		Ohio				U S	State	U S	State
	1978:I	1979:I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978:IV	1978:I— 1979 I	1977 IV— 1978:IV	1978:I— 1979 I
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	78,950	79,841	87,860	90,607	12.6	11.3	12.6	13.5
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	53,160	53,812	59,297	61,544	12.6	11.5	12.8	14.4
Civilian employment (thousands)	91,401	94,901	4,594	4,458	4,852	4,676	3.9	5.6	3.8	4.9
Unemployment (thousands)	6,705	6,360	270	293	246	320	-8.8	-8.8	-5.1	8.9
Percent unemployed (unemployment/labor force)	6.8	6.3	5.5	6.2	4.8	6.4	---	---	---	---
Total loans (millions of dollars)	619,218	n a	22,894	23,534	26,573	n a	15.6	16.1	---	---
Total deposits (millions of dollars)	911,772	n a	36,264	35,426	39,203	n a	9.3	8.1	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	1,554,052	1,331,024	1,953,996	1,482,910	16.8	25.7	19.8	11.4
Dwelling units started (number)	404,171	414,826	14,634	11,130	16,691	10,658	-2	14.1	2.6	-4.2
Total retail sales (millions of dollars)	167,940	194,529	9,929	7,988	11,236	9,401	11.2	13.2	15.8	17.7
New business incorporations (number)	115,247	n a	3,168	3,751	3,507	n a	13.2	10.7	---	---
Business failures (number)	1,729	n a	26	71	47	n a	-4.9	80.8	---	---
Consumer Price Index (1967=100).										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Cincinnati	---	---	186.7	192.3	207.5	214.5	---	11.1	---	11.5
Cleveland	---	---	184.4	186.6	203.3	211.0	---	10.2	---	13.1

n a . Data not available

Source. See tables 2 through 8

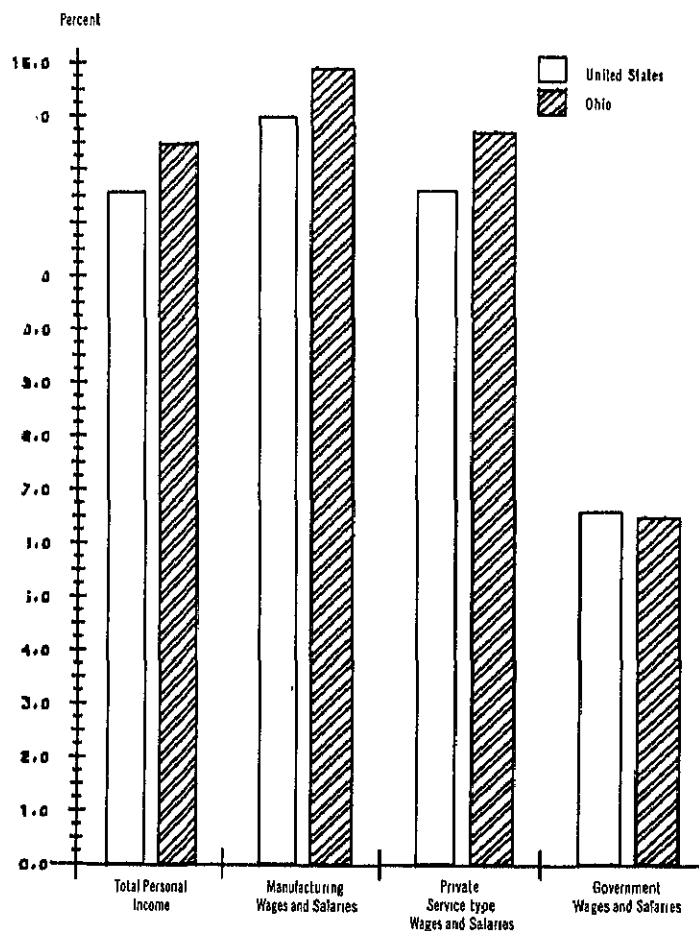
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 13.5 percent from 1978:I to 1979:I, 0.9 percentage point more than in the Nation (table 2). In 1979:I, Ohio's total personal income was \$90.6 billion, for an increase of \$10.7 billion since 1978:I.

Consumer prices from 1978:I to 1979:I increased 11.5 percent in the Cincinnati metropolitan area and 13.1 percent in Cleveland; both increases were well above the national increase of 9.9 percent (table 3). If an average of the price increases in these areas—12.3 percent—is used as an indicator for price movements in the State, real total personal income in Ohio increased 1.2 percent from year to year versus 2.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 14.4 percent in Ohio, 1.6 percentage points more than in the Nation. In 1979:I, payrolls totaled \$61.5 billion, for an increase of \$7.7 billion since 1978:I. Among all States, Ohio's increase ranked 14th.

Manufacturing payrolls in the State increased 14.9 percent versus 14.0 percent in the Nation. Strength was concentrated in nondurable goods payrolls, which increased 12.6 percent versus 9.9 percent in the Nation. Durable goods payrolls, in contrast, increased 15.8 percent in Ohio and 16.2 percent in the Nation. Durable goods payrolls accounted for 30 percent of Ohio's total payrolls in 1979:I, compared with a national weight of 18 percent. Payrolls in private service-type industries increased 13.7 percent in Ohio versus 12.6 percent in the Nation. The increases in three of the four component industries were larger in the State than in the Nation; the largest increase was in finance-insurance-real estate. In contrast, payrolls in wholesale and retail trade increased somewhat less in Ohio than in the Nation.

Construction payrolls increased 24.9 percent in Ohio and 21.3 percent in the Nation. Payrolls in mining, which accounted for a relatively small share of all payrolls in Ohio in 1979:I, increased substantially, reflecting the resumption of coal mining activities after a miners' strike in 1978:I. Government payrolls increased about 6.5 percent in both the State and Nation. Ohio's increase in Federal payrolls was somewhat smaller than in the Nation, and the increase in State and local payrolls was somewhat larger than in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

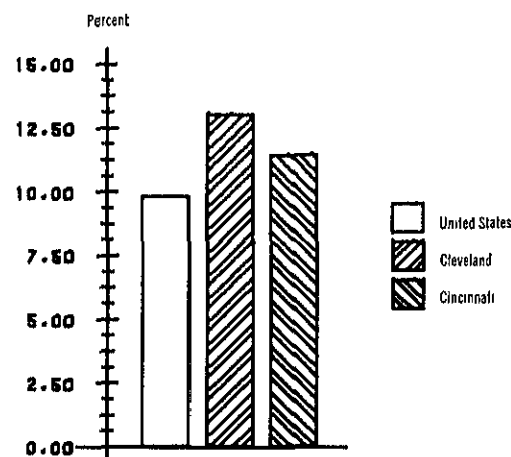


Chart 3.—Total Personal Income

[Seasonally adjusted]

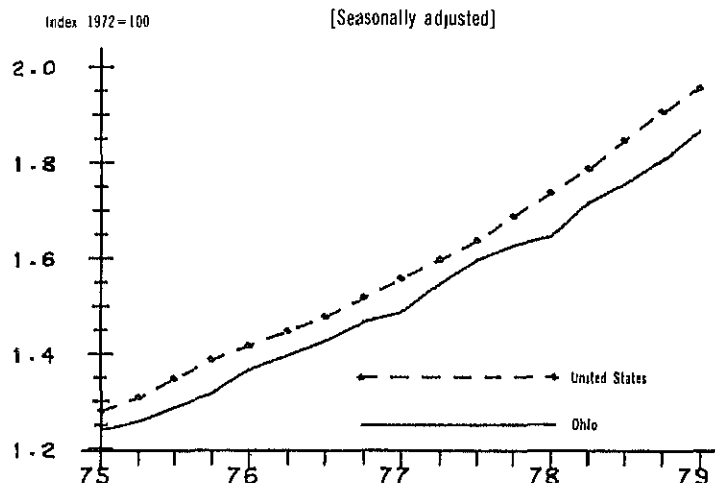


Chart 4.—Industrial Composition of Wages and Salaries

[Seasonally adjusted]

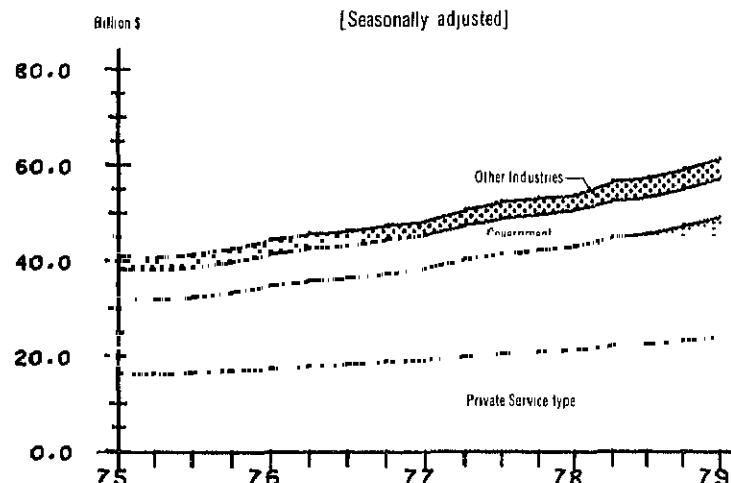


TABLE 2.—Personal Income, United States and Ohio

	United States		Ohio				U S	State	U S	State
	1978:I	1979 I	1977:IV	1978:I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income .	1,624,665	1,829,515	78,950	79,841	87,860	90,607	12.6	11.3	12.6	13.5
Farm personal income	32,083	40,141	818	772	1,025	1,035	26.3	25.3	25.1	34.1
Nonfarm personal income	1,592,582	1,789,374	78,132	79,069	86,835	89,571	12.3	11.1	12.4	13.3
Total personal income	1,624,665	1,829,515	78,950	79,841	87,860	90,607	12.6	11.3	12.6	13.5
Wage and salary disbursements	1,042,716	1,176,598	53,160	53,812	59,297	61,544	12.6	11.5	12.8	14.4
Other labor income	99,957	115,833	5,464	5,611	6,299	6,575	16.4	15.3	15.9	17.2
Proprietors' income	108,808	126,535	4,261	4,248	4,913	4,889	18.9	15.3	16.3	15.1
Farm .	24,448	31,221	638	590	822	819	31.3	28.9	27.7	38.9
Nonfarm	84,360	95,314	3,623	3,659	4,091	4,070	15.3	12.9	13.0	11.3
Dividends, interest, and rent	221,191	250,595	9,505	9,753	10,529	10,859	12.8	10.8	13.3	11.3
Transfer payments	219,202	238,794	10,079	10,169	10,805	11,108	8.2	7.2	8.9	9.2
State unemployment insurance benefits	9,997	8,023	555	447	320	408	-30.3	-42.3	-19.7	-8.8
Less personal contributions	66,792	78,351	3,083	3,246	3,499	3,849	15.1	13.5	17.3	18.6
Plus residence adjustment	-417	-489	-437	-505	-485	-520	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	53,160	53,812	59,297	61,544	12.6	11.5	12.8	14.4
Farm	7,215	8,422	176	178	198	211	10.6	12.5	16.7	18.6
Nonfarm	1,035,501	1,168,176	52,984	53,634	59,098	61,333	12.6	11.5	12.8	14.4
Mining	12,013	19,166	489	290	668	681	33.9	36.6	59.5	135.0
Construction	56,564	68,593	2,594	2,463	3,084	3,077	20.1	18.9	21.3	24.9
Manufacturing	285,735	325,636	21,327	21,923	23,975	25,197	13.3	12.4	14.0	14.9
Durable goods	182,321	211,944	15,667	16,067	17,952	18,604	15.2	14.6	16.2	15.8
Nondurable goods	103,414	113,692	5,660	5,855	6,023	6,594	10.0	6.4	9.9	12.6
Private service type	473,132	532,823	21,017	21,323	23,362	24,245	13.1	11.2	12.6	13.7
Transportation, communication, and public utilities	79,598	88,755	3,704	3,828	4,161	4,337	11.3	12.4	11.5	13.3
Wholesale and retail trade	177,331	201,608	8,456	8,557	9,401	9,683	14.1	11.2	13.7	13.2
Finance, insurance, and real estate	55,930	63,373	2,079	2,093	2,330	2,408	13.2	12.1	13.3	15.0
Services	160,273	179,087	6,778	6,845	7,470	7,817	12.7	10.2	11.7	14.2
Government	204,558	218,008	7,467	7,538	7,908	8,027	6.9	5.9	6.6	6.5
Federal	68,698	73,916	1,874	1,883	1,984	2,000	7.1	5.9	7.6	6.2
State and local	135,860	144,092	5,594	5,655	5,924	6,027	6.8	5.9	6.1	6.6
Other	3,499	3,950	89	96	100	107	14.6	13.0	12.9	11.4

1. Detail may not add to totals because of rounding

2. Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Ohio¹

	United States		Ohio				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV		1978:I-- 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Cincinnati	---	---	186.7	192.3	207.5	214.5	---	11.1	---	11.5
Cleveland	---	---	184.4	186.6	203.3	211.0	---	10.2	---	13.1

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2. Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time

Labor Force

From 1978 I to 1979 I, Ohio's civilian labor force increased 5.1 percent, 1.9 percentage points more than in the Nation (table 4). Among all States, Ohio's increase was the seventh largest, and among the Great Lakes States, it was the largest. Total employment increased 4.9 percent in the State, 1.1 percentage points more than nationally, to 4.7 million. Ohio's increase was the 14th largest among all States and, along with Wisconsin's, the largest in the Great Lakes region.

With the labor force increasing 245,000 and employment increasing 218,000, unemployment increased 27,000, to 320,000. The unemployment rate in the State increased 0.2 percentage point, to 6.4 percent; in contrast, the unemployment rate in the Nation declined 0.5 percentage

point, to 6.3 percent. Ohio was one of only a few States in the Nation to register an increase in the unemployment rate. Among the other Great Lakes States, only Illinois had an increase. Most Great Lakes States had unemployment rates less than or near the national average in 1979 I.

In March 1979, the preliminary unemployment rate in the State was 6.0 percent, virtually unchanged from the March 1978 rate. March 1979 rates in the major metropolitan areas of the State ranged from 5.1 percent in Cleveland to 7.4 percent in Toledo. Unemployment rates in most major metropolitan areas were little changed from March 1978 to March 1979. In contrast, Akron and Youngstown-Warren had large declines in the unemployment rate, and Toledo had a large increase.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Ohio

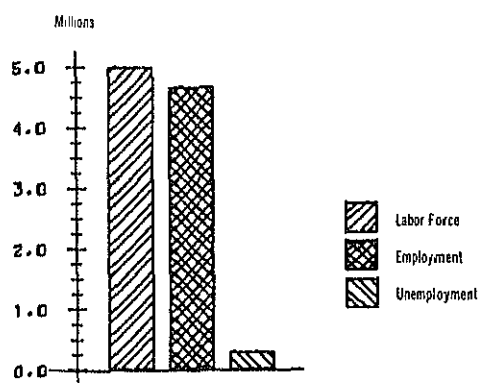


Chart 6.—Unemployment Rates, 1978:I—1979:I

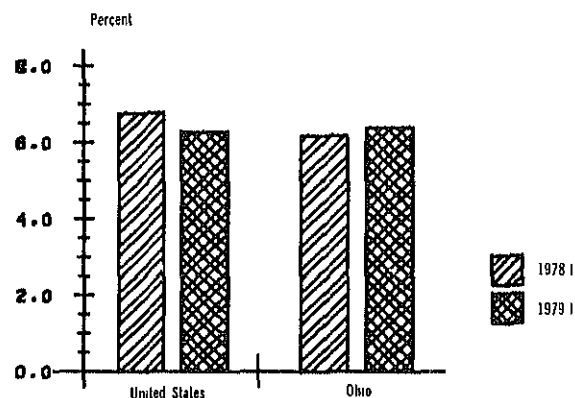


TABLE 4.—Labor Force, United States and Ohio

	United States		Ohio				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979 I	1977:IV— 1978:IV		1978 I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	4,326	4,213	4,486	4,398	4.2	3.7	2.9	4.4
Mining	730	896	29	18	33	31	14.4	14.3	22.7	71.6
Instruction	3,784	3,973	175	139	191	155	11.2	9.6	5.0	10.9
Manufacturing	20,064	20,652	1,367	1,353	1,403	1,398	3.6	2.6	2.9	3.3
Transportation, communication, and public utilities	4,779	4,943	223	216	233	229	4.4	4.4	3.4	5.9
Wholesale and retail trade	18,937	19,549	947	908	986	948	4.5	4.2	3.2	4.4
Finance, insurance, and real estate	4,601	4,790	186	185	194	195	5.2	4.6	4.1	5.1
Services	15,758	16,149	745	734	784	781	4.4	5.3	2.5	6.5
Government	15,435	15,648	657	660	662	662	1.4	.8	1.4	.3
Civilian labor force ³	98,106	101,260	4,864	4,751	5,098	4,995	3.1	4.8	3.2	5.1
Total employed	91,401	94,901	4,594	4,458	4,852	4,676	3.9	5.6	3.8	4.9
Total unemployed	6,705	6,360	270	293	246	320	-8.8	-8.8	-5.1	8.9
Percent unemployed	6.8	6.3	5.5	6.2	4.8	6.4	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

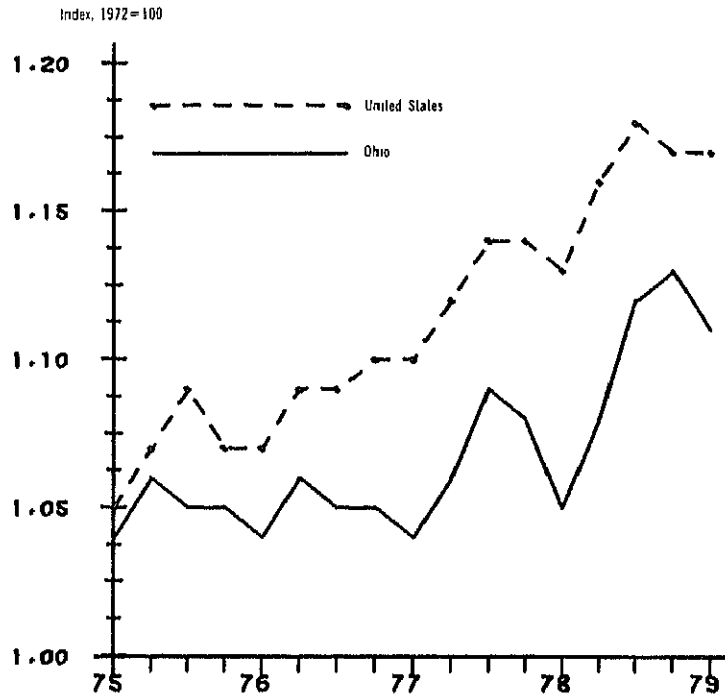


Chart 8.—Civilian Employment

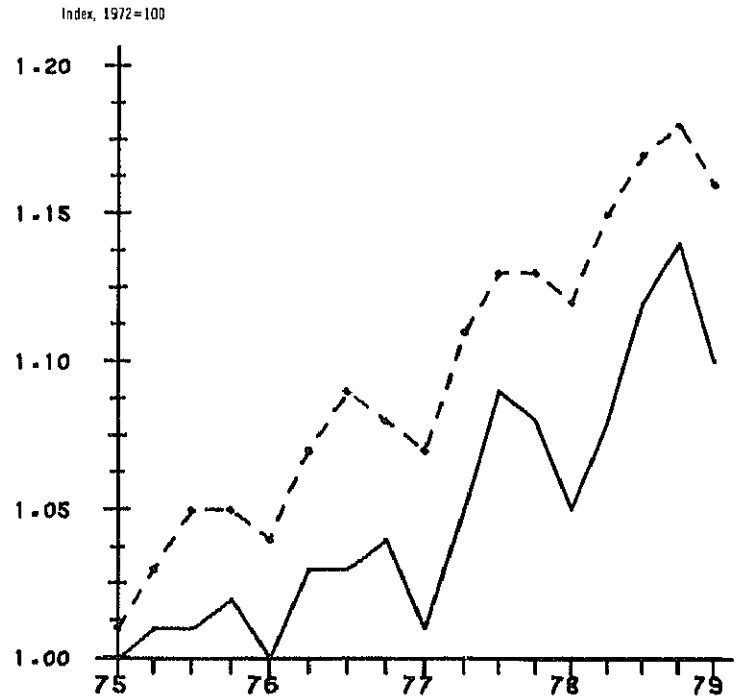


Chart 9.—Unemployment Rate

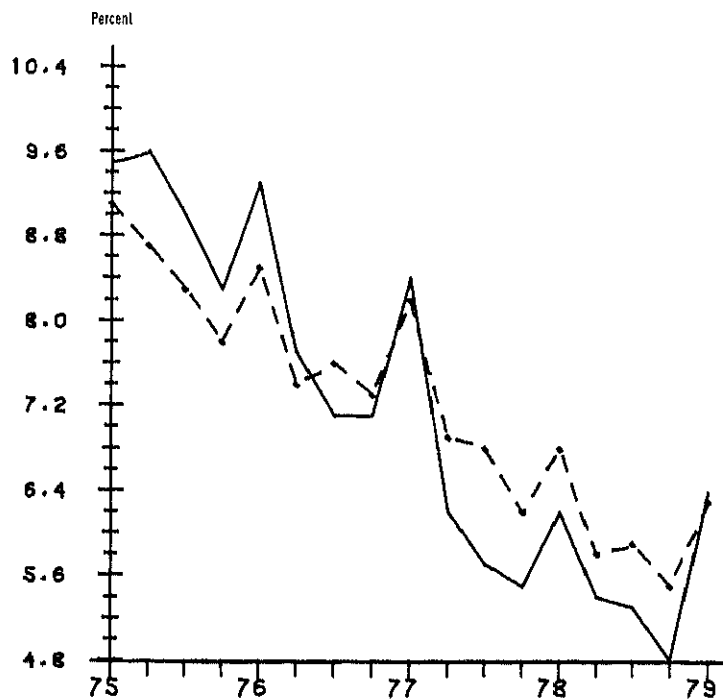
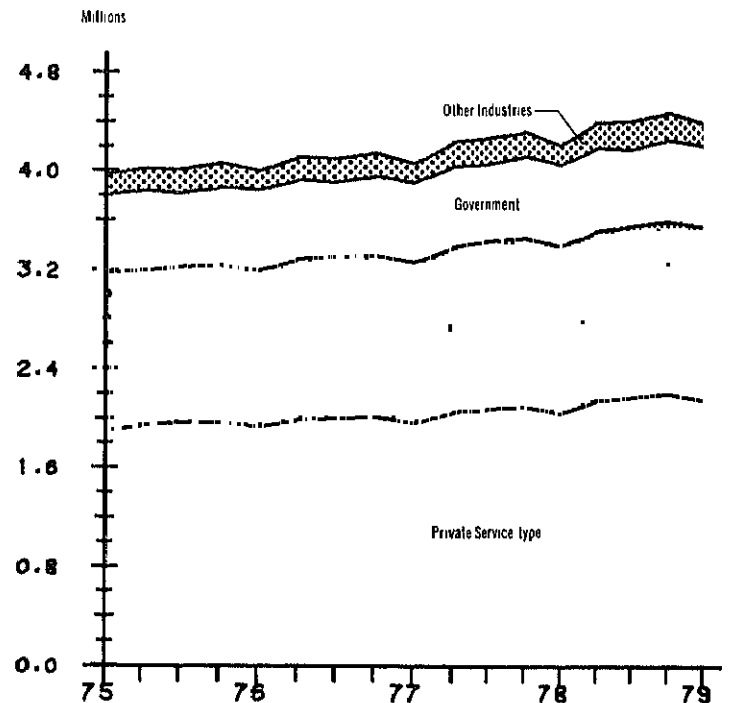


Chart 10.—Industrial Composition of Nonagricultural Employment: Ohio



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Ohio

	United States		Ohio				U S	State	U S	State
	1978 I	1979 I	1977.IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n a.	22,894	23,534	26,573	n a.	15.6	16.1	---	---
Commercial and industrial	202,241	n a.	5,897	6,377	6,857	n a.	13.3	16.3	---	---
Loans to individuals	143,356	n a.	7,267	7,273	8,417	n a.	18.7	15.8	---	---
Real estate	183,599	n a.	8,119	8,240	9,267	n a.	19.6	14.1	---	---
Residential	104,830	n a.	5,055	5,137	5,843	n a.	22.1	15.6	---	---
Farms	7,919	n a.	431	427	448	n a.	9.6	3.9	---	---
Other	70,851	n a.	2,633	2,677	2,976	n a.	17.0	13.0	---	---
Farms, excluding real estate	25,440	n a.	408	409	453	n a.	9.5	11.0	---	---
Other.	64,581	n a.	1,204	1,235	1,579	n a.	7.9	31.1	---	---
Total deposits	911,772	n a.	36,264	35,426	39,203	n a.	9.3	8.1	---	---
Demand	344,245	n a.	13,125	11,389	13,872	n a.	5.6	5.7	---	---
Time and savings	567,527	n a.	23,139	24,037	25,330	n a.	11.9	9.5	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 16.1 percent from 1977:IV to 1978:IV in Ohio versus an increase of 15.6 percent in the Nation (table 5). In 1978:IV, loans totaled \$26.6 billion, for an increase of \$3.7 billion since 1977:IV. Strength in the State centered in commercial and industrial loans, which increased 16.3 percent versus 13.3 percent in the Nation. In contrast, loans to individuals increased 15.8 percent in Ohio and 18.7 percent in

the Nation. Real estate loans increased 14.1 percent in Ohio versus 19.6 percent in the Nation.

Total deposits increased 8.1 percent in Ohio from 1977:IV to 1978:IV versus 9.3 percent in the Nation. In 1978:IV, deposits totaled \$39.2 billion in the State, for an increase of \$2.9 billion since 1977:IV. Weakness centered in time and savings deposits, which increased 9.5 percent in the State and 11.9 percent in the Nation. Ohio's percentage increase ranked 38th among all States. Demand deposits were up about 5.7 percent in both the State and Nation.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 11.4 percent in Ohio versus 19.8 percent in the Nation (table 6). The change in the valuation of contracts in each major construction category was smaller in Ohio than in the Nation. The State's lag was particularly pronounced in nonbuilding contracts. In 1979:I, the valuation of all contracts in Ohio totaled \$1.5 billion, for an increase over the year of \$0.2 billion. In 1978:I, two large contracts in Ohio raised the total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If these contracts are excluded, the total valuation of contracts in the State increased about 24 percent from 1978:I to 1979:I.

Nationally, construction costs increased about 14 percent; if this national increase is representative of cost changes in Ohio, the real valuation of construction contracts (including the two large contracts in 1978:I) would have declined about 3 percent versus an increase of about 6 percent nationally. Excluding the two large contracts, the real valuation of construction in Ohio would have increased about 10 percent.

Reflecting a \$75 million contract for a sewage collection and disposal line in Hancock County in 1978:I, the valuation of nonbuilding

contracts declined 3.2 percent in Ohio, in sharp contrast to an increase of 23.7 percent in the Nation. Excluding the large contract, the valuation of nonbuilding contracts in Ohio would have increased 36 percent from 1978:I to 1979:I. Street and highway contracts—a major component of nonbuilding contracts—increased 107.8 percent in valuation versus 61.2 percent nationally.

The housing market was weak in Ohio from 1978:I to 1979:I. The valuation of contracts for additions and alterations to residential housekeeping units increased 8.3 percent in the State versus 17.9 percent in the Nation. Among all States, Ohio's increase ranked 42nd. The valuation of contracts for new residential housekeeping units increased 3.0 percent in Ohio and 11.8 percent in the Nation. Among all States, this increase ranked 29th, among the Great Lakes States, it ranked 2nd to Michigan's. The number of dwelling units started declined 4.2 percent in the State and increased 2.6 percent in the Nation. The number of dwelling units started in Ohio declined 472 units, to 10,658 new units in 1979:I. Each Great Lakes State had a decline in the number of dwelling units started.

The valuation of nonresidential contracts increased 24.8 percent (\$98 million) in Ohio (to \$496 million) and 28.0 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

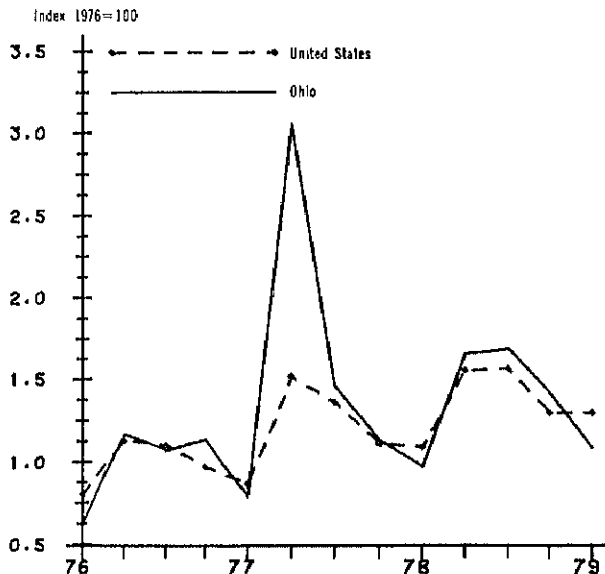


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Ohio

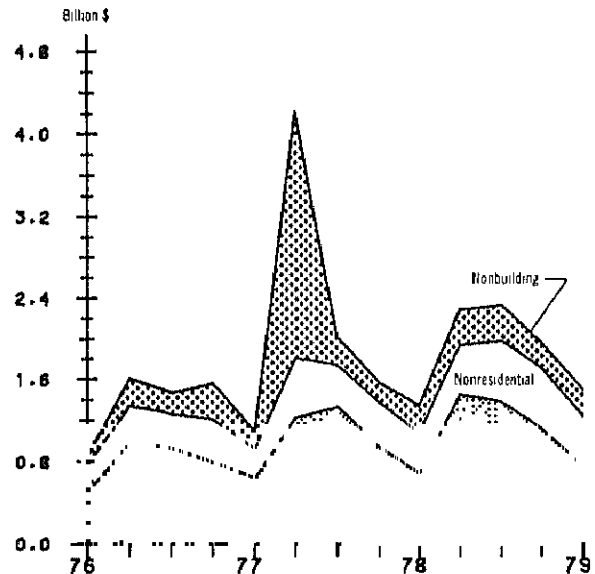


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

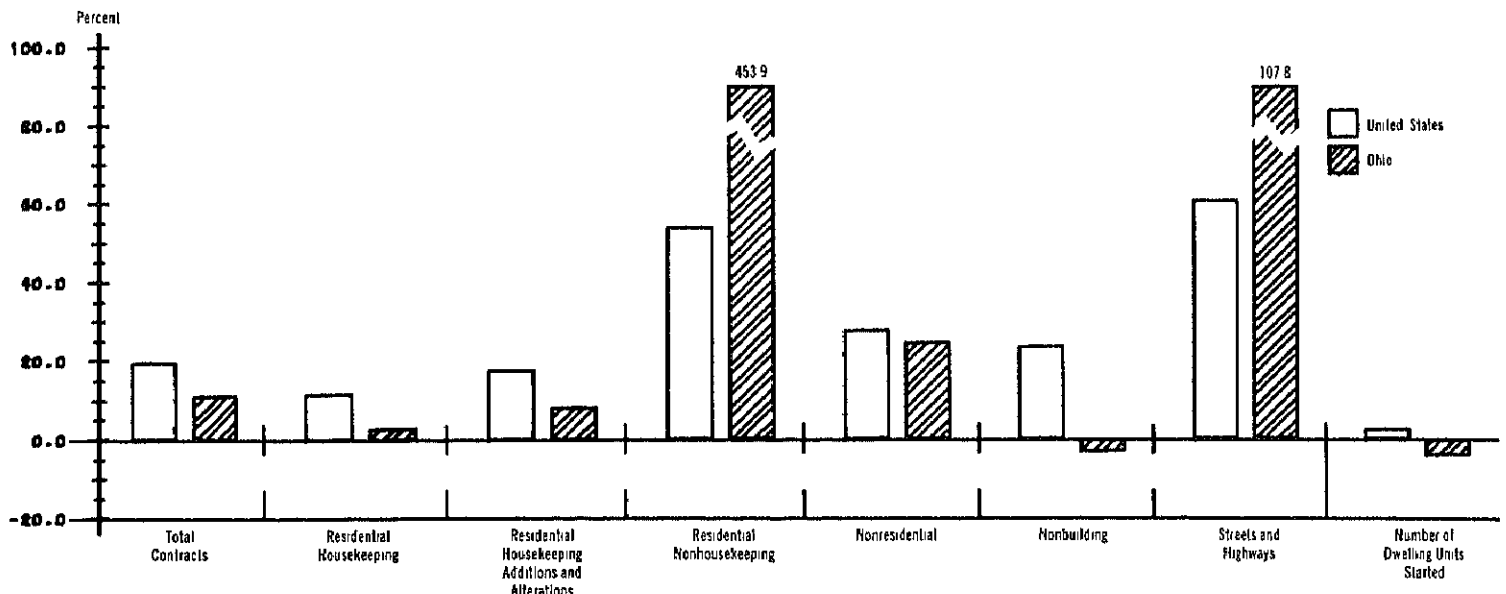


TABLE 6.—Construction Contracts, United States and Ohio¹

	United States		Ohio				U S	State	U S	Sta'ns
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	1,554,052	1,331,024	1,953,996	1,482,910	16.8	25.7	19.8	11.4
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	389,802	274,793	422,485	297,612	14.6	8.4	17.9	8.3
All other contracts										
Number of contracts	53,028	53,454	3,325	2,409	3,040	2,498	-9.3	-8.6	8	3.7
Valuation (thousands of dollars)	32,202,931	38,675,376	1,164,250	1,056,231	1,531,511	1,185,298	17.3	31.5	20.1	12.2
Floor area (thousands of square feet)	807,538	904,811	34,012	24,848	39,433	28,079	10.3	15.9	12.0	13.0
Residential housekeeping										
Number of contracts	13,592	14,399	523	469	542	470	-4.3	3.6	5.9	.2
Number of dwelling units	404,171	414,826	14,634	11,130	16,691	10,658	-2	14.1	2.6	-4.2
Valuation (thousands of dollars)	13,806,696	15,431,523	528,378	390,125	666,097	401,861	15.6	26.1	11.8	3.0
Floor area (thousands of square feet)	546,445	571,860	19,701	14,478	23,657	14,252	10.7	20.1	4.7	-1.6
Residential nonhousekeeping										
Number of contracts	441	464	21	15	21	26	-4	0	5.2	73.3
Valuation (thousands of dollars)	327,201	504,158	7,070	5,991	23,160	33,183	54.9	227.6	54.1	453.9
Floor area (thousands of square feet)	8,179	11,483	193	153	318	642	34.7	64.5	40.4	320.1
Nonresidential										
Number of contracts	25,282	23,514	1,908	1,390	1,658	1,279	-12.0	-13.1	-7.0	-8.0
Valuation (thousands of dollars)	9,056,146	11,595,243	437,055	397,007	592,895	495,516	16.3	35.7	28.0	24.8
Floor area (thousands of square feet)	252,915	321,468	14,117	10,217	15,457	13,185	8.7	9.5	27.1	29.1
Nonbuilding										
Number of contracts	13,713	15,077	873	535	819	723	-9.1	-6.2	9.9	35.1
Valuation (thousands of dollars)	9,012,888	11,144,452	191,747	263,108	249,359	254,738	20.6	30.0	23.7	-3.2
Streets and Highways										
Number of contracts	3,989	4,750	246	152	237	225	-17.8	-3.7	19.1	48.0
Valuation (thousands of dollars)	1,399,453	2,255,221	65,231	29,999	75,625	62,345	-18.1	15.9	61.2	107.8

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Ohio totaled \$9.4 billion in 1979:I, up 17.7 percent (\$1.4 billion) since 1978:I, compared with a 15.8-percent national increase (table 7). In 1979:I, nondurable goods accounted for \$6.4 billion of the total, and durable goods accounted for \$3.0 billion.

TABLE 7.—Retail Sales, United States and Ohio

	United States		Ohio				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	9,929	7,988	11,236	9,401	11.2	13.2	15.8	17.7
Durable goods	55,388	68,203	n a	n a	3,254	2,999	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n a	n a	7,982	6,402	9.2	---	12.3	---

n a Data not available

Source: U.S. Department of Commerce, Bureau of Census

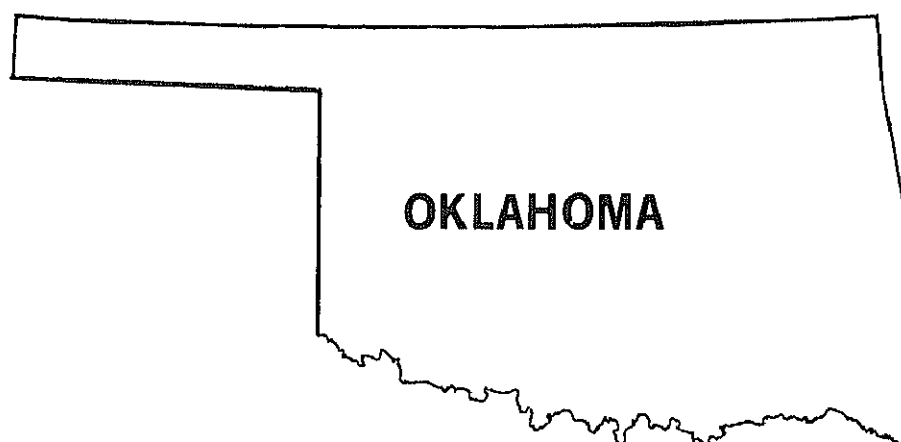
TABLE 8.—Business Incorporations and Failures, United States and Ohio

	United States		Ohio				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	3,168	3,751	3,507	n.a.	13.2	10.7	---	---
Total number of business failures	1,729	n.a.	26	71	47	n.a.	-4.9	80.8	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	3,229	8,348	8,998	n.a.	13.7	178.7	---	---
Average liability per failure (thousands of dollars)	404	n.a.	124	118	191	n.a.	19.4	54.0	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	3	6	7	n.a.	6.0	133.3	---	---
Construction	279	n.a.	4	15	8	n.a.	-8.2	100.0	---	---
Wholesale trade	205	n.a.	2	3	7	n.a.	-6.3	250.0	---	---
Retail trade	769	n.a.	12	36	23	n.a.	-4	91.7	---	---
Commercial services	205	n.a.	5	11	3	n.a.	-23.5	-40.0	---	---

n a Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 15.9% vs. 12.6% in U.S., to \$21.7 billion
- Manufacturing payrolls up 19.1% vs. 14.0% in U.S.
- Mining payrolls up 41.1% vs. 59.5% in U.S.

Consumer prices

- Up 10.5% in Dallas vs. 9.9% in U.S.

Employment

- Up 3.2% vs. 3.8% in U.S., to 1.2 million

Unemployment

- Down 6,000, to 49,000
- Rate down 0.6 percentage point, to 3.9% of labor force vs. 6.3% in U.S.

Construction

- Total valuation of contracts more than doubled, to \$1.3 billion, due to two large electric generating plant projects in 1979:I
- Number of dwelling-unit starts down 14.6% vs. 2.6% gain in U.S., to 6,410

TABLE 1.—Summary of Economic Indicators, United States and Oklahoma

	United States		Oklahoma				U S	State	U S	State
	1978 I	1979.I	1977.IV	1978:I	1978.IV	1979.I	1977.IV— 1978 IV	1978 I— 1979:I	U S	State
All indicators, except income, not seasonally adjusted							Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	18,584	18,707	21,196	21,688	12.6	14.1	12.6	15.9
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	11,090	11,193	12,762	13,156	12.6	15.1	12.8	17.5
Civilian employment (thousands)	91,401	94,901	1,186	1,173	1,228	1,211	3.9	3.5	3.8	3.2
Unemployment (thousands)	6,705	6,360	53	55	46	49	-8.8	-12.3	-5.1	-9.8
Percent unemployed (unemployment/labor force)	6.8	6.3	4.3	4.5	3.6	3.9	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	7,893	8,057	9,214	n.a.	15.6	16.7	---	---
Total deposits (millions of dollars)	911,772	n.a.	13,144	12,829	14,533	n.a.	9.3	10.6	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	566,852	542,016	736,458	1,276,015	16.8	29.9	19.8	135.4
Dwelling units started (number)	404,171	414,826	6,427	7,508	8,478	6,410	-2	31.9	2.6	-14.6
Total retail sales (millions of dollars)	167,940	194,529	n.a	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	854	818	1,045	n.a.	13.2	22.4	---	---
Business failures (number)	1,729	n.a.	54	49	24	n.a.	-4.9	-55.6	---	---
Consumer Price Index (1967=100)										
U S city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Dallas	---	---	183.8	186.7	200.7	206.3	---	9.2	---	10.5

n a Data not available

Source See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Oklahoma increased 15.9 percent from 1978:I to 1979:I, outpacing the Nation's 12.6-percent increase and ranking 10th among all State increases (table 2). In 1979:I, Oklahoma's personal income totaled \$21.7 billion, up \$3.0 billion since 1978:I. During this timespan, consumer prices in the Dallas metropolitan area increased 10.5 percent versus 9.9 nationally (table 3). If this increase is used as an indicator for price increases throughout the State, real total personal income in Oklahoma increased 5.4 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 17.5 percent from 1978:I to 1979:I, the seventh largest State gain in the Nation. Durables manufacturing payrolls increased 21.2 percent, leading the Nation's

gain by 5.0 percentage points. Nondurables manufacturing payrolls increased 15.4 percent, leading the Nation's gain by 5.5 percentage points. The payroll gains in both types of manufacturing in Oklahoma were among the largest registered in the Nation.

All four private service-type industries registered payroll gains that exceeded national counterparts. Transportation-communication-public utilities payrolls increased 19.8 percent, to \$1.1 billion. Services payrolls increased 17.7 percent, a gain second only to Idaho's, to \$1.7 billion. Payrolls in trade, Oklahoma's largest major industry, increased 17.6 percent, to \$2.4 billion. Finance-insurance-real estate payrolls increased 13.5 percent, fractionally above the Nation's 13.3-percent gain, to \$617 million.

Both the Federal Government and State and local government registered payroll gains of 8.0 percent. The gains, which were the smallest among all major industries in Oklahoma, marginally exceeded the gains of national counterparts.

Mining payrolls increased 41.1 percent, Oklahoma's largest payroll gain from year to year. The State's gain lagged the Nation's 59.5-percent gain; the latter gain reflected the return to work of coal miners in major coal mining States following a strike in late 1977 and early 1978. Construction payrolls increased 19.0 percent, marginally lagging the Nation's 21.3-percent gain.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

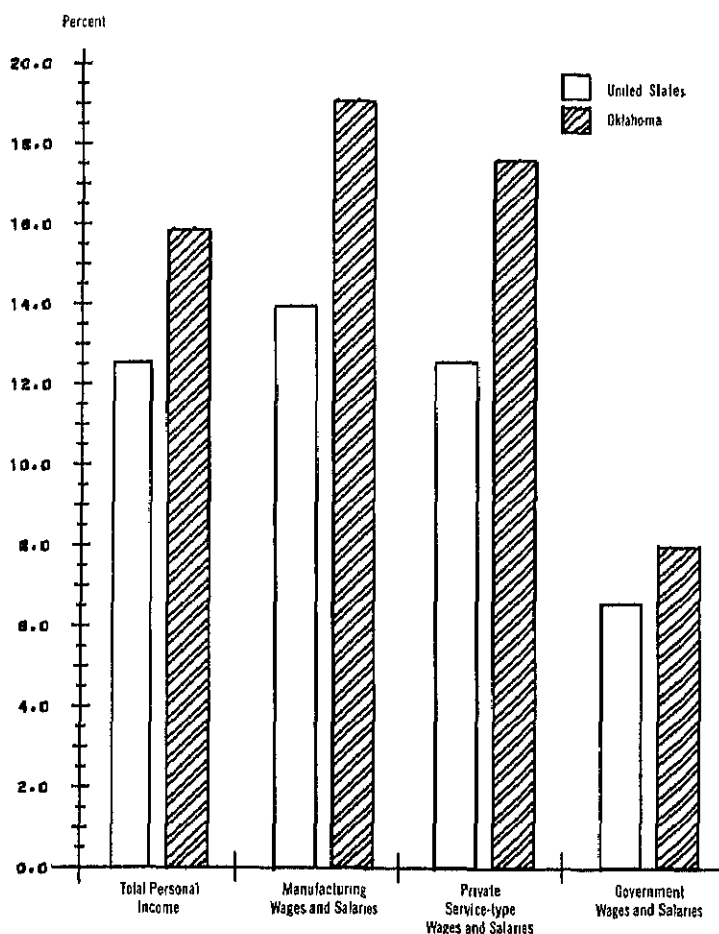


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

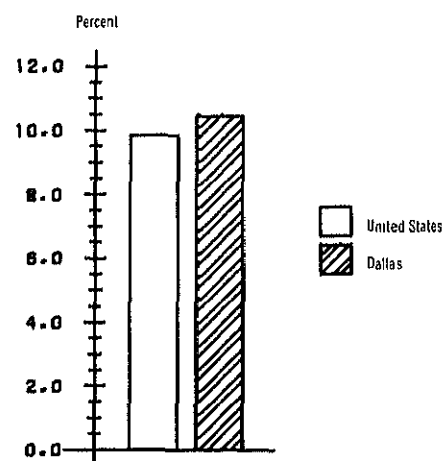


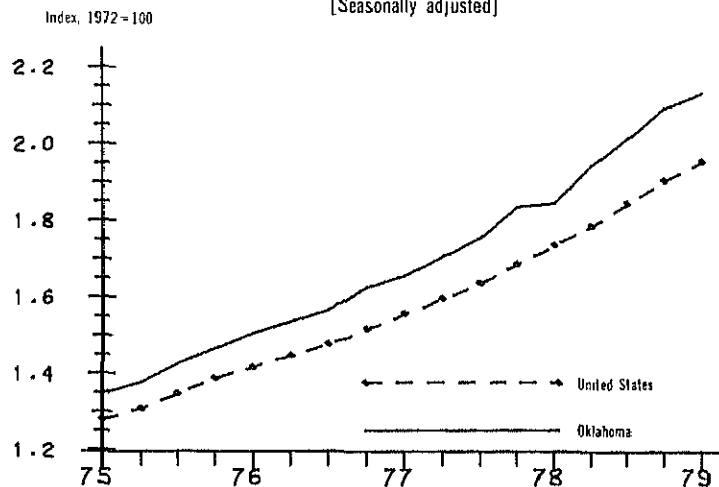
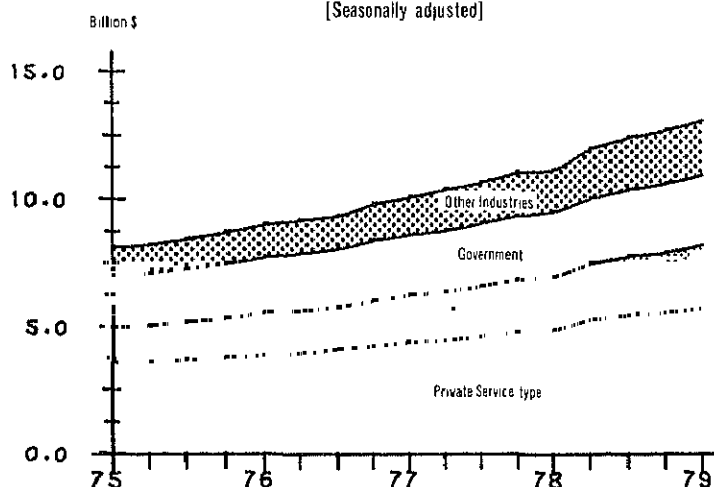
Chart 3.—Total Personal Income
[Seasonally adjusted]Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

TABLE 2.—Personal Income, United States and Oklahoma Quarter, 1978

	United States		Oklahoma				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	18,584	18,707	21,196	21,688	12.6	14.1	12.6	15.9
Farm personal income	32,083	40,141	413	282	499	465	26.3	21.0	25.1	65.1
Nonfarm personal income	1,592,582	1,789,374	18,172	18,426	20,697	21,223	12.3	13.9	12.4	15.2
Total personal income	1,624,665	1,829,515	18,584	18,707	21,196	21,688	12.6	14.1	12.6	15.9
Wage and salary disbursements	1,042,716	1,176,598	11,090	11,193	12,762	13,156	12.6	15.1	12.8	17.5
Other labor income	99,957	115,833	1,061	1,081	1,261	1,311	16.4	18.9	15.9	21.3
Proprietors' income	108,808	126,535	1,468	1,373	1,758	1,704	18.9	19.8	16.3	24.1
Farm	24,448	31,221	281	148	350	305	31.3	24.6	27.7	106.4
Nonfarm	84,360	95,314	1,187	1,225	1,409	1,398	15.3	18.7	13.0	14.1
Dividends, interest, and rent	221,191	250,595	2,819	2,903	3,142	3,249	12.8	11.5	13.3	11.9
Transfer payments	219,202	238,794	2,704	2,751	2,945	3,013	8.2	8.9	8.9	9.5
State unemployment insurance benefits	9,997	8,023	56	48	29	36	-30.3	-47.8	-19.7	-25.6
Less personal contributions	66,792	78,351	694	729	823	900	15.1	18.6	17.3	23.4
Plus residence adjustment	-417	-489	137	136	150	155	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	11,090	11,193	12,762	13,156	12.6	15.1	12.8	17.5
Farm	7,215	8,422	129	130	146	156	10.6	13.2	16.7	19.4
Nonfarm	1,035,501	1,168,176	10,961	11,062	12,616	13,000	12.6	15.1	12.8	17.5
Mining ..	12,013	19,166	878	842	1,162	1,188	33.9	32.3	59.5	41.1
Construction	56,564	68,593	634	628	772	748	20.1	21.9	21.3	19.0
Manufacturing	285,735	325,636	2,076	2,103	2,362	2,505	13.3	13.8	14.0	19.1
Durable goods	182,321	211,944	1,331	1,350	1,539	1,636	15.2	15.6	16.2	21.2
Nondurable goods	103,414	113,692	745	753	823	869	10.0	10.5	9.9	15.4
Private service type	473,132	532,823	4,822	4,925	5,593	5,791	13.1	16.0	12.6	17.6
Transportation, communication, and public utilities	79,598	88,755	942	921	1,057	1,103	11.3	12.2	11.5	19.8
Wholesale and retail trade	177,331	201,608	1,965	2,027	2,330	2,383	14.1	18.6	13.7	17.6
Finance, insurance, and real estate	55,930	63,373	526	543	595	617	13.2	13.0	13.3	13.5
Services	160,273	179,087	1,389	1,434	1,611	1,687	12.7	16.0	11.7	17.7
Government	204,558	218,008	2,524	2,534	2,697	2,737	6.9	6.9	6.6	8.0
Federal	68,698	73,916	1,152	1,132	1,209	1,222	7.1	4.9	7.6	8.0
State and local	135,860	144,092	1,373	1,402	1,489	1,514	6.8	8.5	6.1	8.0
Other ..	3,499	3,950	28	30	31	33	14.6	11.3	12.9	9.7

1 Detail may not add to totals because of rounding
2 Based on unrounded data

Source U S Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Oklahoma¹

	United States		Oklahoma				U S	State	U S	State
	1978:I	1979 I	1977:IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Dallas	---	---	183.8	186.7	200.7	206.3	---	9.2	---	10.5

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available
2 Average for 85 representative urban areas based on the 1970 Census of Population
Source: U S Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time

Labor Force

From 1978:I to 1979:I, Oklahoma's civilian labor force increased 2.7 percent, one-half of a percentage point below the Nation's advance (table 4). Total employment increased 3.2 percent (to just over 1.2 million), lagging the 3.8-percent national average advance.

With employment increasing by 38,000 and the labor force increasing by 32,000, the number of unemployed declined by 6,000. The unemployment rate declined 0.6 percentage point, to 3.9 percent of the labor force in 1979:I. Nationally, the unemployment rate fell one-half of a percentage

point, to 6.3 percent. Only four States registered lower unemployment rates than Oklahoma in 1979:I.

Across the State, unemployment rates varied somewhat. According to preliminary data for March 1979, unemployment rates in the major metropolitan areas of Oklahoma City and Tulsa were 3.2 percent and 3.4 percent, respectively, versus a preliminary State rate of 3.6 percent. The unemployment rate outside of Oklahoma City and Tulsa was 4.0 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Oklahoma

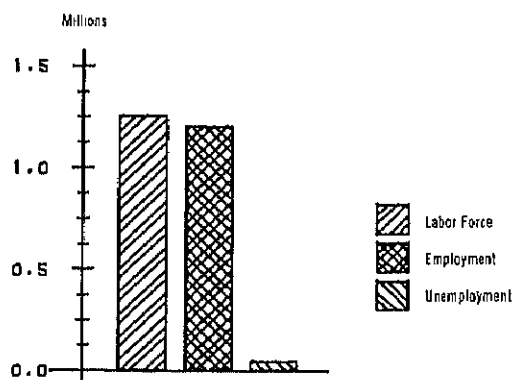


Chart 6.—Unemployment Rates, 1978:I—1979:I

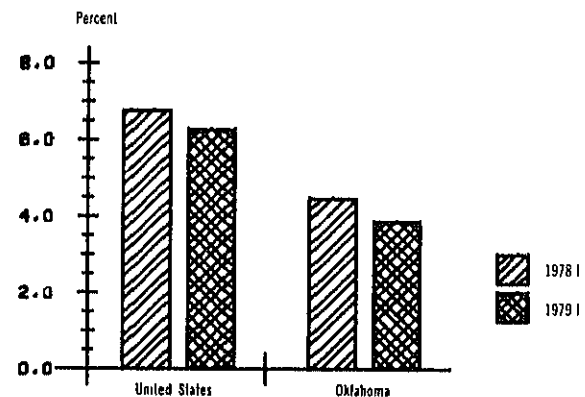


TABLE 4.—Labor Force, United States and Oklahoma

	United States		Oklahoma				U S	State	U.S.	State
	1978 I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978 I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	995	996	1,048	1,042	4.2	5.3	2.9	4.6
Mining	730	896	51	52	56	57	14.4	10.1	22.7	9.9
Construction	3,784	3,973	52	49	57	51	11.2	10.2	5.0	4.3
Manufacturing	20,064	20,652	166	166	175	176	3.6	5.5	2.9	5.9
Transportation, communication, and public utilities	4,779	4,943	60	60	62	62	4.4	2.7	3.4	4.4
Wholesale and retail trade	18,937	19,549	240	236	252	246	4.5	4.9	3.2	4.1
Finance, insurance, and real estate...	4,601	4,790	49	49	51	51	5.2	4.3	4.1	4.5
Services	15,758	16,149	160	163	173	175	4.4	7.7	2.5	7.4
Government	15,435	15,648	217	218	223	223	1.4	2.7	1.4	2.4
Civilian labor force ³	98,106	101,260	1,239	1,228	1,274	1,261	3.1	2.9	3.2	2.7
Total employed	91,401	94,901	1,186	1,173	1,228	1,211	3.9	3.5	3.8	3.2
Total unemployed	6,705	6,360	53	55	46	49	-8.8	-12.3	-5.1	-9.8
Percent unemployed	6.8	6.3	4.3	4.5	3.6	3.9				

¹ Detail may not add to totals because of rounding

² Based on unrounded data

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

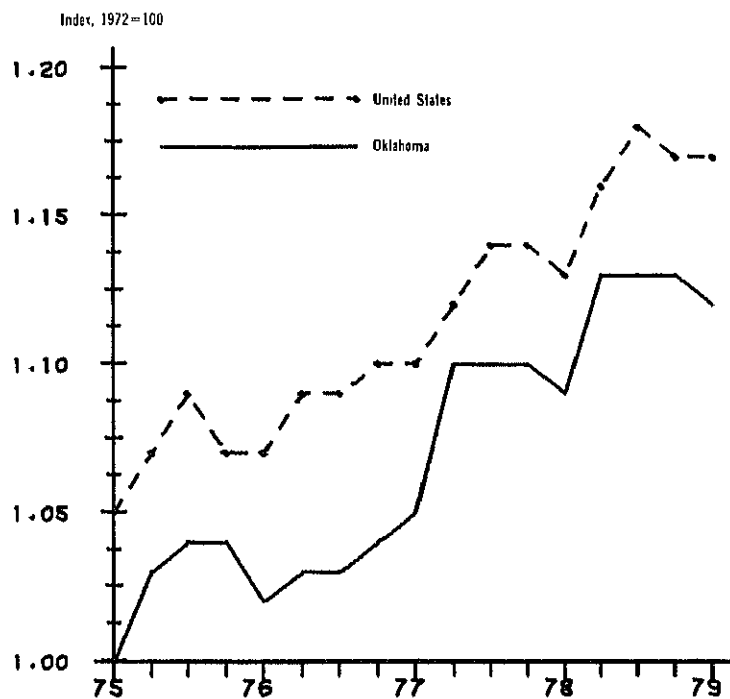


Chart 8.—Civilian Employment

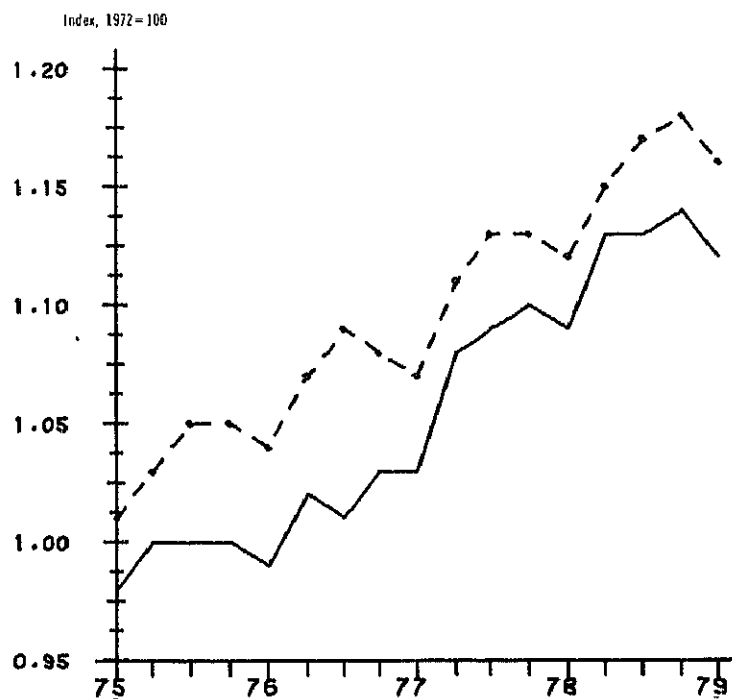


Chart 9.—Unemployment Rate

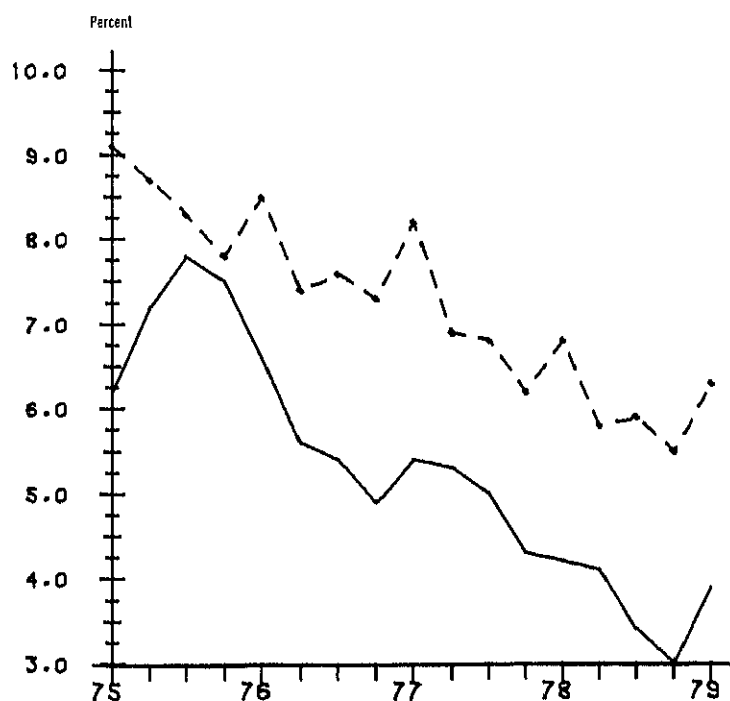
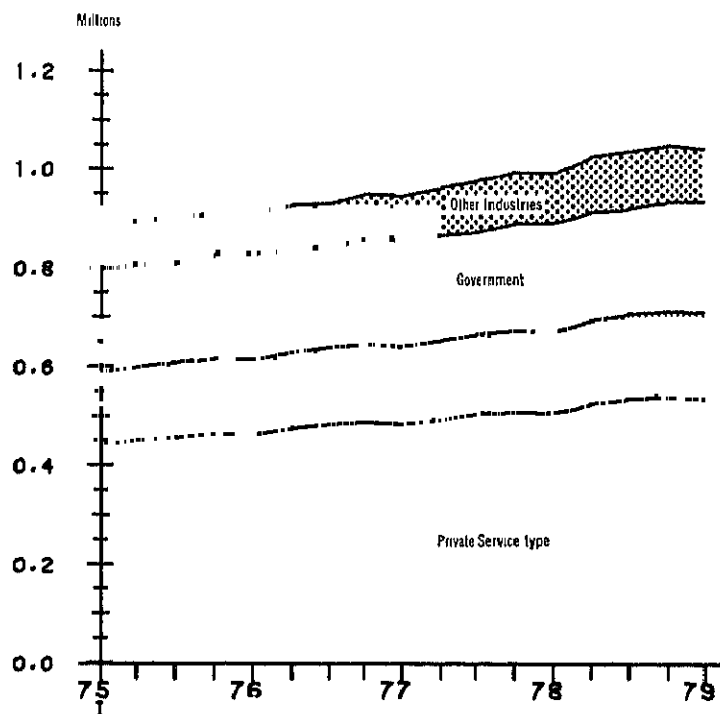


Chart 10.—Industrial Composition of Nonagricultural Employment: Oklahoma



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Oklahoma

	United States		Oklahoma				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978:I	1978:IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹							Percent change ²		
Total loans	619,218	n.a.	7,893	8,057	9,214	n.a.	15.6	16.7	---	---
Commercial and industrial	202,241	n.a.	2,524	2,585	2,884	n.a.	13.3	14.2	---	---
Loans to individuals	143,356	n.a.	1,981	2,030	2,396	n.a.	18.7	21.0	---	---
Real estate	183,599	n.a.	1,792	1,889	2,251	n.a.	19.6	25.6	---	---
Residential	104,830	n.a.	724	765	942	n.a.	22.1	30.1	---	---
Farms	7,919	n.a.	213	220	234	n.a.	9.6	9.8	---	---
Other	70,851	n.a.	855	903	1,075	n.a.	17.0	25.8	---	---
Farms, excluding real estate	25,440	n.a.	979	962	1,061	n.a.	9.5	8.4	---	---
Other	64,581	n.a.	618	591	623	n.a.	7.9	.7	---	---
Total deposits	911,772	n.a.	13,144	12,829	14,533	n.a.	9.3	10.6	---	---
Demand	344,245	n.a.	5,356	4,717	5,734	n.a.	5.6	7.1	---	---
Time and savings	567,527	n.a.	7,788	8,112	8,798	n.a.	11.9	13.0	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans rose 16.7 percent in Oklahoma from 1977:IV to 1978:IV, leading the national increase by more than 1 percentage point (table 5). Real estate loans rose by more than one-fourth, outpacing the Nation's increase of 19.6 percent and ranking among the largest State increases, to \$2.3 billion. Loans to individuals rose 21.0 percent, compared with an 18.7-percent national increase, to \$2.4 billion. Commercial and

industrial loans rose 14.2 percent, almost 1 percentage point more than the Nation's average increase, to \$2.9 billion.

Total deposits rose 10.6 percent, to \$14.5 billion. Time and savings deposits rose 13.0 percent, to \$8.8 billion, and demand deposits rose 7.1 percent, to \$5.7 billion. Increases in both types of deposits exceeded those of national counterparts by somewhat more than 1 percentage point.

Construction

The total valuation of contracts in Oklahoma more than doubled from 1978:1 to 1979:1, far outpacing the Nation's 19.8-percent average gain and ranking third (after Mississippi and Tennessee) among all State gains (table 6). In 1979:1, \$350 million and \$289 million contracts for the construction of electric generating plants in Choctaw and Mayes Counties, respectively, raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. If both contracts are excluded, the total valuation of contracts in the State would have increased 17.5 percent from year to year, or less than nationally. From 1978:1 to 1979:1, national construction costs increased 14 percent.

Primarily reflecting the two electric generating plant contracts, the valuation of nonbuilding contracts rose from \$80 million in 1978:1 to \$713 million in 1979:1. Nationally, nonbuilding contract valuations rose 23.7 percent over the period. Oklahoma's street and highway contracts,

a major component of the State's nonbuilding contracts, rose in valuation from \$16 million in 1978:1 to \$35 million in 1979:1; the Nation's street and highway contracts registered a 61.2-percent gain in valuation.

The valuation of residential housekeeping contracts declined 5.8 percent, to \$269 million. The decline was in sharp contrast to an 11.8-percent average gain in the Nation. Similarly, the number of dwelling units started in Oklahoma declined 14.6 percent, one of the largest declines in the Nation, from 7,500 units in 1978:1 to 6,400 units in 1979:1. In contrast, the valuation of additions and alterations to residential housekeeping units rose 29.6 percent, far outpacing the 17.9-percent national gain, to \$102 million.

Chart 14.—Construction Contracts—Total Valuation

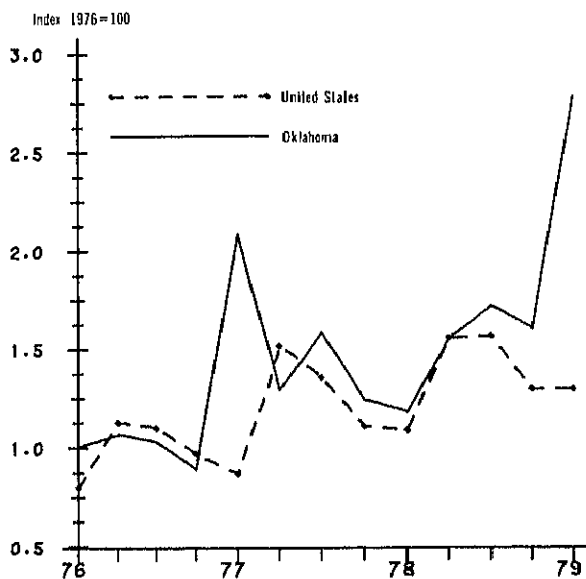


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Oklahoma

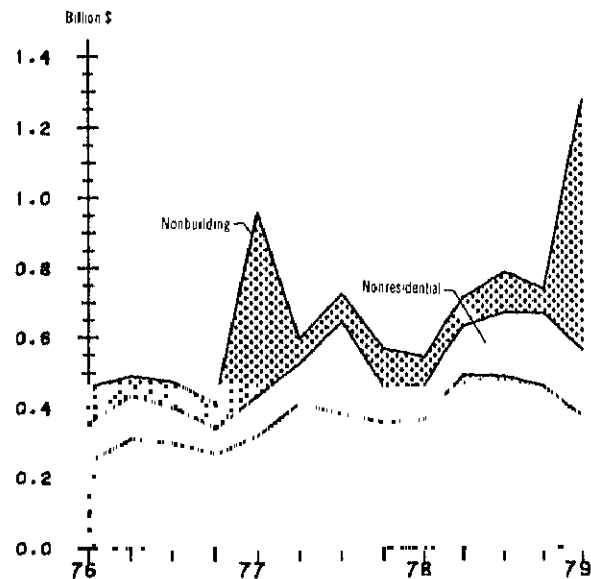


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:1--1979:1

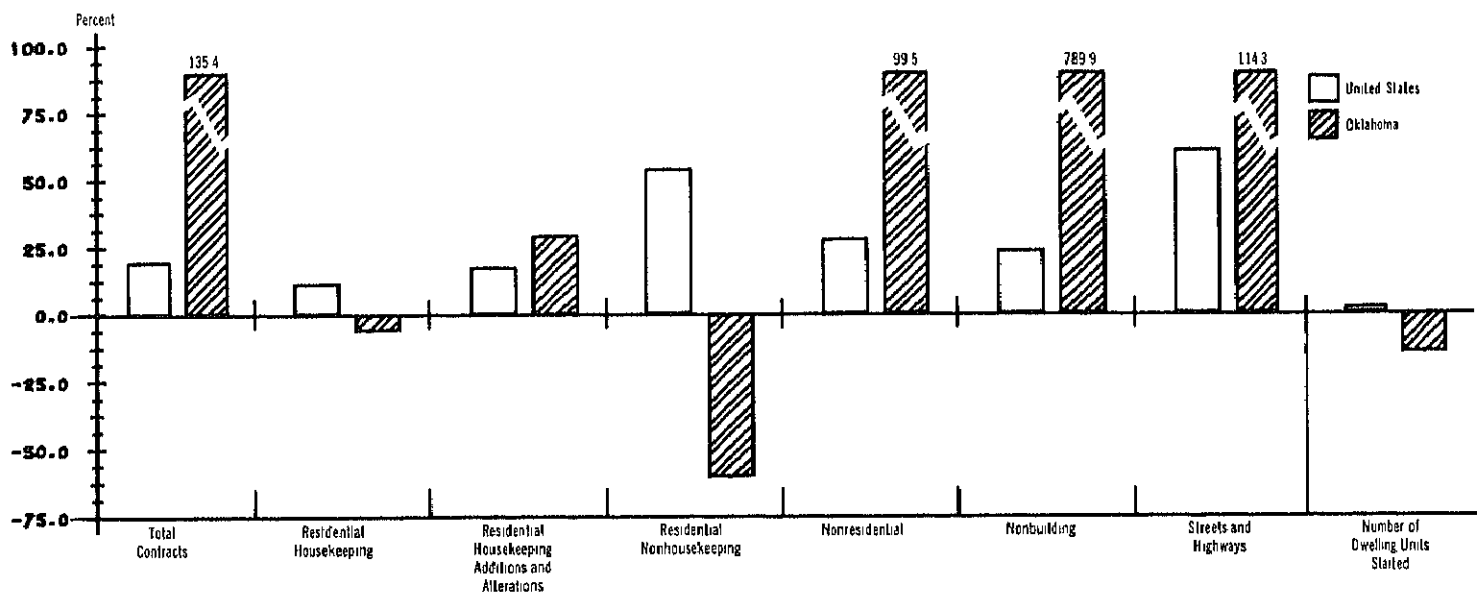


TABLE 6.—Construction Contracts, United States and Oklahoma¹

	United States		Oklahoma				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV - 1978 IV		1978 I - 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	566,852	542,016	736,458	1,276,015	16.8	29.9	19.8	135.4
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	92,913	78,931	120,678	102,292	14.6	29.9	17.9	29.6
All other contracts										
Number of contracts	53,028	53,454	963	859	972	898	-9.3	9	8	4.5
Valuation (thousands of dollars)	32,202,931	38,675,376	473,939	463,085	615,780	1,173,723	17.3	29.9	20.1	153.5
Floor area (thousands of square feet)	807,538	904,811	14,478	14,706	19,192	16,231	10.3	32.6	12.0	10.4
Residential housekeeping										
Number of contracts	13,592	14,399	257	258	281	285	-4.3	9.3	5.9	10.5
Number of dwelling units	404,171	414,826	6,427	7,508	8,478	6,410	-2	31.9	2.6	-14.6
Valuation (thousands of dollars)	13,806,696	15,431,523	262,294	285,369	329,666	268,878	15.6	25.7	11.8	-5.8
Floor area (thousands of square feet)	546,445	571,860	10,864	11,892	13,378	10,581	10.7	23.1	4.7	-11.0
Residential nonhousekeeping										
Number of contracts	441	464	4	4	10	2	-4	150.0	5.2	-50.0
Valuation (thousands of dollars)	327,201	504,158	1,671	1,977	8,058	780	54.9	382.2	54.1	-60.5
Floor area (thousands of square feet)	8,179	11,483	27	28	165	19	34.7	505.5	40.4	-34.2
Nonresidential										
Number of contracts	25,282	23,514	379	317	382	320	-12.0	8	-7.0	9
Valuation (thousands of dollars)	9,056,146	11,595,243	103,024	95,579	209,854	190,727	16.3	103.7	28.0	99.5
Floor area (thousands of square feet)	252,915	321,468	3,587	2,786	5,649	5,631	8.7	57.5	27.1	102.1
Nonbuilding										
Number of contracts	13,713	15,077	323	280	299	291	-9.1	-7.4	9.9	3.9
Valuation (thousands of dollars)	9,012,888	11,144,452	106,950	80,160	68,202	713,338	20.6	-36.2	23.7	789.9
Streets and Highways										
Number of contracts	3,989	4,750	86	65	75	82	-17.8	-12.8	19.1	26.2
Valuation (thousands of dollars)	1,399,453	2,255,221	49,204	16,181	24,626	34,671	-18.1	-50.0	61.2	114.3

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Oklahoma are not available.

TABLE 7.—Retail Sales, United States and Oklahoma

	United States		Oklahoma				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

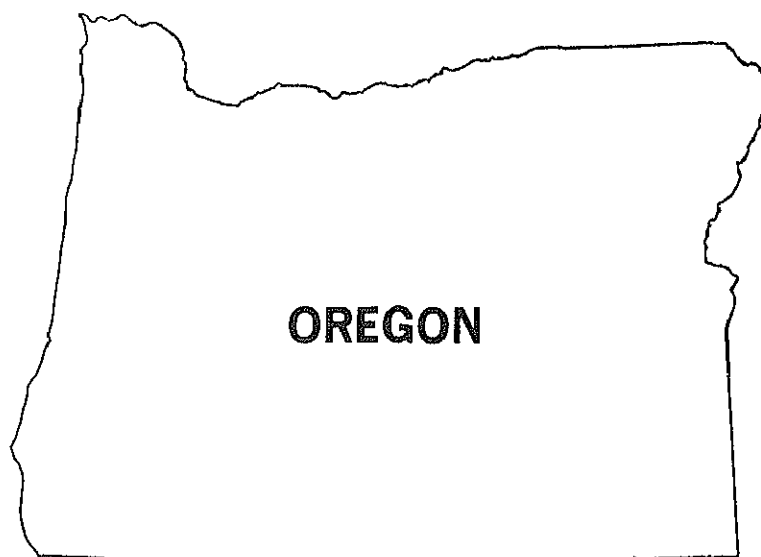
Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Oklahoma

	United States		Oklahoma				U S	State	U S	State
	1978 I	1979 I	1977.IV	1978.I	1978.IV	1979.I	1977 IV-- 1978 IV		1978 I-- 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	854	818	1,045	n.a.	13.2	22.4	---	---
Total number of business failures	1,729	n.a.	54	49	24	n.a.	-4.9	-55.6	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	5,947	6,195	7,554	n.a.	13.7	27.0	---	---
Average liability per failure (thousands of dollars)	404	n.a.	110	126	315	n.a.	19.4	186.4	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	6	8	6	n.a.	6.0	.0	---	---
Construction	279	n.a.	9	9	3	n.a.	-8.2	-66.7	---	---
Wholesale trade	205	n.a.	9	4	2	n.a.	-6.3	-77.8	---	---
Retail trade	769	n.a.	25	23	14	n.a.	-4	-44.0	---	---
Commercial services	205	n.a.	5	5	1	n.a.	-23.5	-80.0	---	---

n.a. Data not available
 Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 13.5% vs. 12.6% in U.S., to \$20.8 billion
- Proprietors' income up 27.4% vs. 16.3% in U.S.
- Government payrolls up 7.5% vs. 6.6% in U.S.

Consumer prices

- Up 11.5% in Portland vs. 9.9% in U.S.

Employment

- Up 3.0% vs. 3.8% in U.S., to 1.1 million

Unemployment

- Up 11,000, to 94,000
- Rate up 0.7 percentage point, to 7.9% of labor force vs. 6.3% in U.S.

Construction

- Total valuation of contracts up 18.6% vs. 19.8% in U.S., to \$592 million
- Number of dwelling-unit starts down by one-fourth vs. 2.6% gain in U.S., to 6,972

TABLE 1.—Summary of Economic Indicators, United States and Oregon

	United States		Oregon				U S	State	U S	State
	1978 I	1979.I	1977 IV	1978 I	1978:IV	1979 I	1977 IV— 1978:IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	17,544	18,351	20,136	20,837	12.6	14.8	12.6	13.5
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	11,342	11,979	12,962	13,511	12.6	14.3	12.8	12.8
Civilian employment (thousands)	91,401	94,901	1,067	1,071	1,139	1,103	3.9	6.7	3.8	3.0
Unemployment (thousands)	6,705	6,360	73	83	70	94	-8.8	-4.1	-5.1	13.5
Percent unemployed (unemployment/labor force)	6.8	6.3	6.4	7.2	5.8	7.9	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	5,441	5,549	6,559	n.a.	15.6	20.6	---	---
Total deposits (millions of dollars)	911,772	n.a.	7,766	7,758	8,991	n.a.	9.3	15.8	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	479,460	500,060	604,397	592,959	16.8	26.1	19.8	18.6
Dwelling units started (number)	404,171	414,826	8,234	9,343	7,466	6,972	-2	-9.3	2.6	-25.4
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	1,342	1,563	1,643	n.a.	13.2	22.4	---	---
Business failures (number)	1,729	n.a.	37	34	29	n.a.	-4.9	-21.6	---	---
Consumer Price Index (1967=100)										
U S city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Portland	188.4	207.0	---	191.9	207.8	214.0	8.9	---	9.9	11.5

n.a. Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Oregon increased 13.5 percent from 1978:I to 1979:I, leading the Nation's gain by 0.9 percentage point (table 2). In 1979:I, Oregon's personal income totaled \$20.8 billion, up \$2.5 billion since 1978:I. During this timespan, consumer prices increased 11.5 percent in the Portland metropolitan area, compared with 9.9 percent nationally (table 3). If the Portland increase is used as an indicator for price increases throughout the State, real total personal income in Oregon increased about 2 percent versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 12.8 percent, the same as nationally, to \$13.5 billion. Construction payrolls increased 28.1 percent, the largest payroll gain in the State, to \$980 million. Both components of government registered payroll gains that led those of

national counterparts. Federal Government payrolls increased 9.4 percent, compared with 7.6 percent nationally, to \$584 million. State and local government payrolls increased 7.0 percent, compared with 6.1 percent nationally, to \$1.9 billion.

Payrolls in the State's private service-type industry group increased 13.5 percent versus 12.6 percent nationally. Finance-insurance-real estate payrolls increased 20.2 percent, a gain exceeded in only four States, to \$680 million. Transportation-communication-public utilities payrolls increased 16.7 percent, leading the Nation's gain by over 5 percentage points, to \$1.1 billion. In contrast, trade payrolls increased 12.8 percent, lagging the Nation's gain by almost 1 percentage point, to \$2.7 billion. Services payrolls increased 10.4 percent, compared with an 11.7-percent national gain, to \$1.7 billion.

Payrolls in both components of manufacturing registered gains that lagged those of national counterparts. Durable payrolls, Oregon's largest, increased 14.1 percent, lagging the national average gain by more than 2 percentage points. Reflecting the adverse effects of a lumber and paper mill strike that lasted until the middle of February 1979, nondurables payrolls increased only 1.2 percent from year to year. The gain was in sharp contrast to the Nation's 9.9-percent gain and was exceeded by gains in 48 States.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

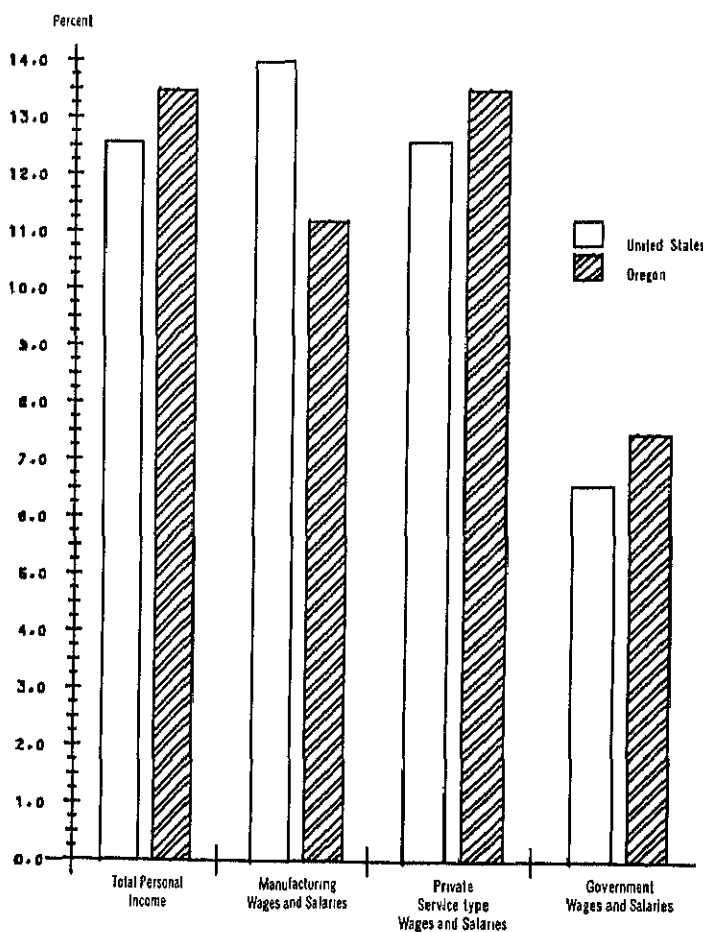


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

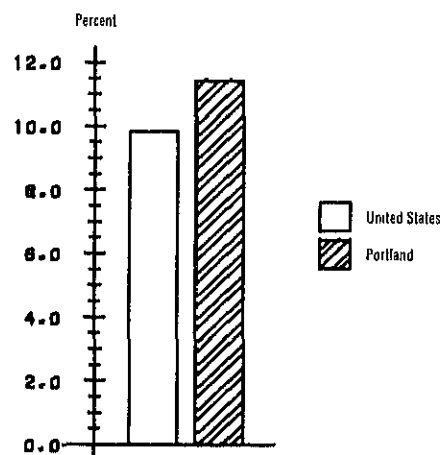


Chart 3.—Total Personal Income
[Seasonally adjusted]

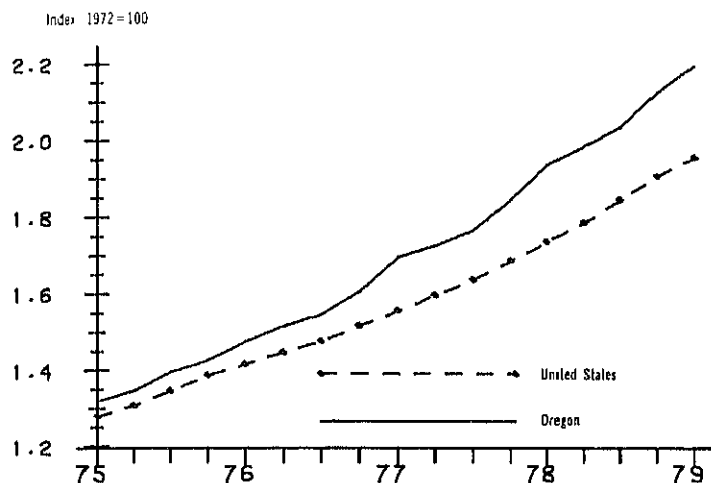


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

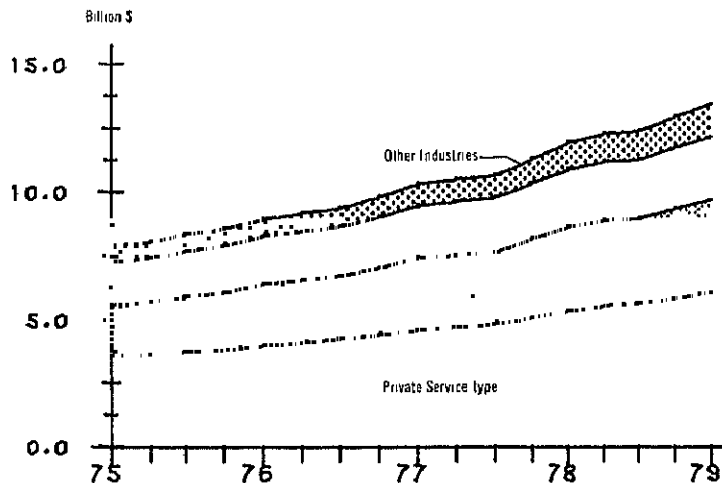


TABLE 2.—Personal Income, United States and Oregon

	United States		Oregon				U S	State	U S	State
	1978.I	1979.I	1977.IV	1978.I	1978.IV	1979.I	1977.IV— 1978.IV		1978.I— 1979.I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	17,544	18,351	20,136	20,837	12.6	14.8	12.6	13.5
Farm personal income	32,083	40,141	381	400	618	653	26.3	62.0	25.1	63.4
Nonfarm personal income	1,592,582	1,789,374	17,163	17,952	19,518	20,184	12.3	13.7	12.4	12.4
Total personal income	1,624,665	1,829,515	17,544	18,351	20,136	20,837	12.6	14.8	12.6	13.5
Wage and salary disbursements	1,042,716	1,176,598	11,342	11,979	12,962	13,511	12.6	14.3	12.8	12.8
Other labor income	99,957	115,833	1,001	1,068	1,175	1,228	16.4	17.4	15.9	15.0
Proprietors' income	108,808	126,535	1,332	1,413	1,738	1,800	18.9	30.5	16.3	27.4
Farm	24,448	31,221	165	181	376	397	31.3	128.7	27.7	118.8
Nonfarm	84,360	95,314	1,168	1,232	1,362	1,403	15.3	16.6	13.0	13.9
Dividends, interest, and rent	221,191	250,595	2,364	2,442	2,674	2,770	12.8	13.1	13.3	13.5
Transfer payments	219,202	238,794	2,470	2,508	2,711	2,759	8.2	9.8	8.9	10.0
State unemployment insurance benefits	9,997	8,023	110	96	100	91	-30.3	-9.1	-19.7	-5.4
Less personal contributions	66,792	78,351	789	871	920	1,018	15.1	16.7	17.3	16.9
Plus residence adjustment	-417	-489	-176	-187	-204	-212	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	11,342	11,979	12,962	13,511	12.6	14.3	12.8	12.8
Farm	7,215	8,422	200	202	222	236	10.6	11.1	16.7	17.2
Nonfarm	1,035,501	1,168,176	11,142	11,777	12,739	13,274	12.6	14.3	12.8	12.7
Mining	12,013	19,166	30	34	41	42	33.9	38.0	59.5	22.1
Construction	56,564	68,593	665	765	854	980	20.1	28.5	21.3	28.1
Manufacturing	285,735	325,636	3,088	3,281	3,537	3,650	13.3	14.5	14.0	11.2
Durable goods	182,321	211,944	2,403	2,557	2,854	2,917	15.2	18.8	16.2	14.1
Nondurable goods	103,414	113,692	685	724	683	733	10.0	-4	9.9	1.2
Private service type	473,132	532,823	5,111	5,376	5,856	6,103	13.1	14.6	12.6	13.5
Transportation, communication, and public utilities	79,598	88,755	895	918	1,001	1,071	11.3	11.8	11.5	16.7
Wholesale and retail trade	177,331	201,608	2,168	2,345	2,521	2,645	14.1	16.3	13.7	12.8
Finance, insurance, and real estate	55,930	63,373	556	566	661	680	13.2	18.9	13.3	20.2
Services	160,273	179,087	1,491	1,547	1,673	1,707	12.7	12.2	11.7	10.4
Government	204,558	218,008	2,196	2,264	2,391	2,435	6.9	8.9	6.6	7.5
Federal	68,698	73,916	507	534	561	584	7.1	10.6	7.6	9.4
State and local	135,860	144,092	1,690	1,730	1,831	1,851	6.8	8.4	6.1	7.0
Other	3,499	3,950	52	57	60	64	14.6	15.7	12.9	13.9

1 Detail may not add to totals because of rounding
2 Based on unrounded data

Source U S Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Oregon¹

	United States		Oregon				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978 I	1978:IV	1979 I	1977:IV— 1978 IV		1978 I— 1979 I	
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Portland	188.4	207.0	---	191.9	207.8	214.0	8.9	---	9.9	11.5

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source U S Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Oregon's civilian labor force increased 3.8 percent, 0.6 percentage point above the Nation's advance (table 4). Total employment increased 3.0 percent (to just over 1.1 million), a rate lagging the national average advance of 3.8 percent.

With employment increasing by 32,000 and the labor force increasing by 43,000, the number of unemployed increased by 11,000. The unemployment rate increased 0.7 percentage point, to 7.9 percent of the labor force in 1979:I, one of the highest rates among all States. The

Nation's unemployment rate declined one-half of a percentage point from year to year, to 6.3 percent.

Across the State, unemployment rates varied somewhat. According to preliminary data for March 1979, unemployment rates in the metropolitan areas of Salem and Eugene-Springfield were 7.2 percent and 8.4 percent, respectively; the comparable State rate was 7.4 percent. (Preliminary data for the Portland area were not available.)

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Oregon

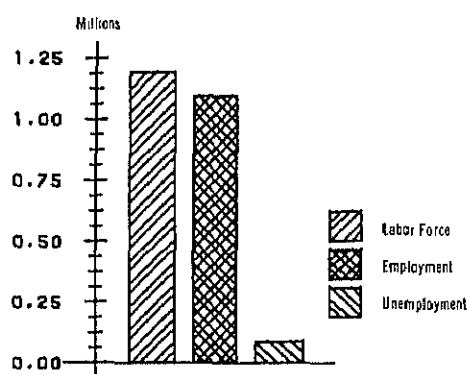


Chart 6.—Unemployment Rates, 1978:I—1979:I

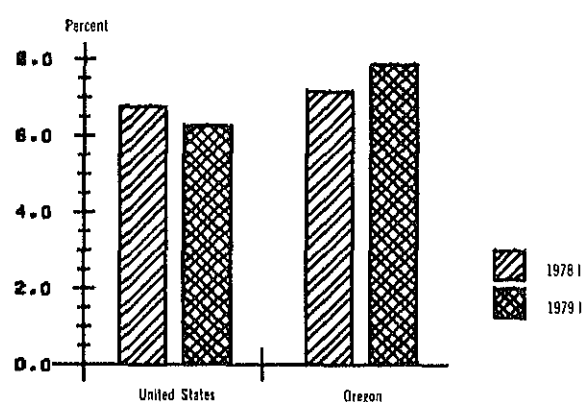


TABLE 4.—Labor Force, United States and Oregon

	United States		Oregon				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV—1978:IV		1978:I—1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	974	967	1,029	1,014	4.2	5.7	2.9	4.8
Mining	730	896	2	2	2	2	4.4	.0	22.7	-5.3
Construction	3,784	3,973	46	42	53	49	1.2	15.6	5.0	14.9
Manufacturing	20,064	20,652	214	208	221	216	3.6	3.3	2.9	4.2
Transportation, communication, and public utilities	4,779	4,943	55	54	59	59	4.4	7.1	3.4	8.3
Wholesale and retail trade	18,937	19,549	237	234	253	247	4.5	6.9	3.2	5.9
Finance, insurance, and real estate	4,601	4,790	60	61	66	66	5.2	9.5	4.1	8.2
Services	15,758	16,149	167	169	175	173	4.4	5.0	2.5	2.1
Government	15,435	15,648	194	198	201	203	1.4	3.5	1.4	2.4
Civilian labor force ³	98,106	101,260	1,139	1,154	1,208	1,197	3.1	6.0	3.2	3.8
Total employed	91,401	94,901	1,067	1,071	1,139	1,103	3.9	6.7	3.8	3.0
Total unemployed	6,705	6,360	73	83	70	94	-8.8	-4.1	-5.1	13.5
Percent unemployed	6.8	6.3	6.4	7.2	5.8	7.9	—	—	—	—

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

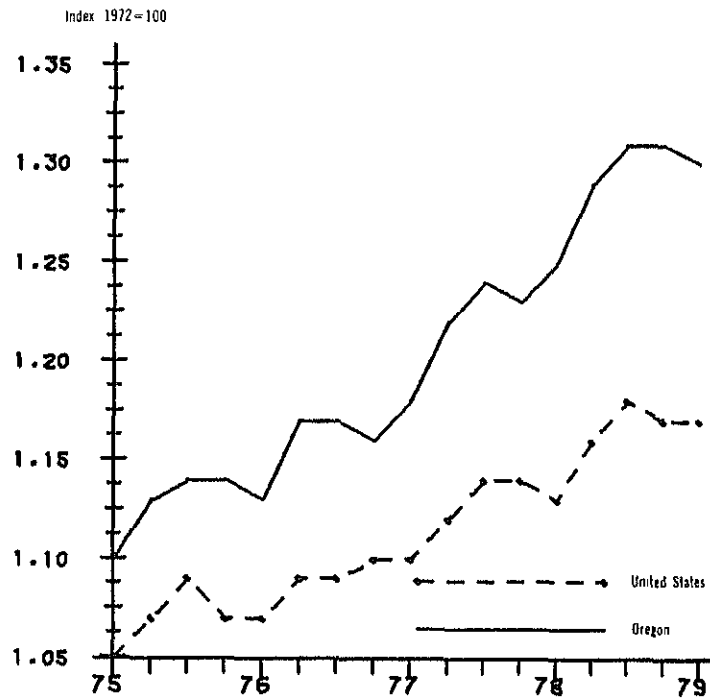


Chart 8.—Civilian Employment

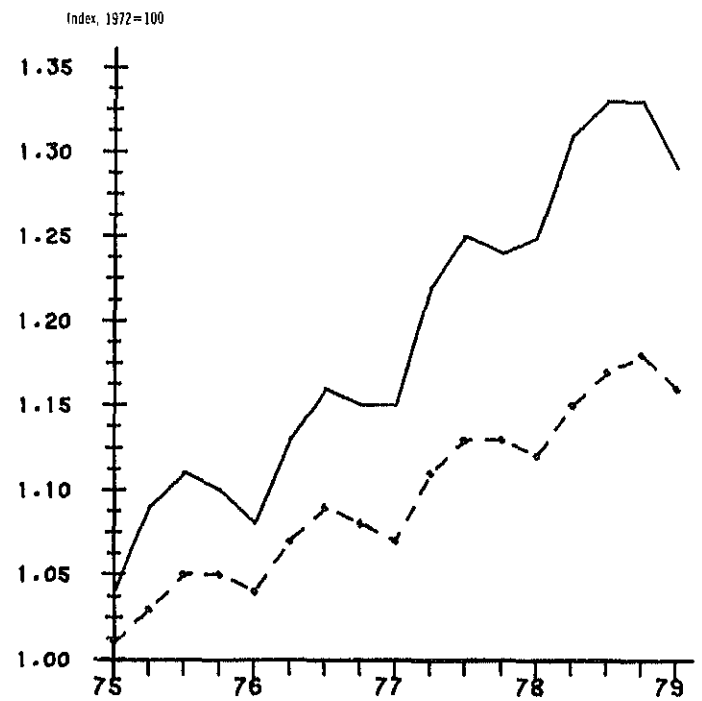


Chart 9.—Unemployment Rate

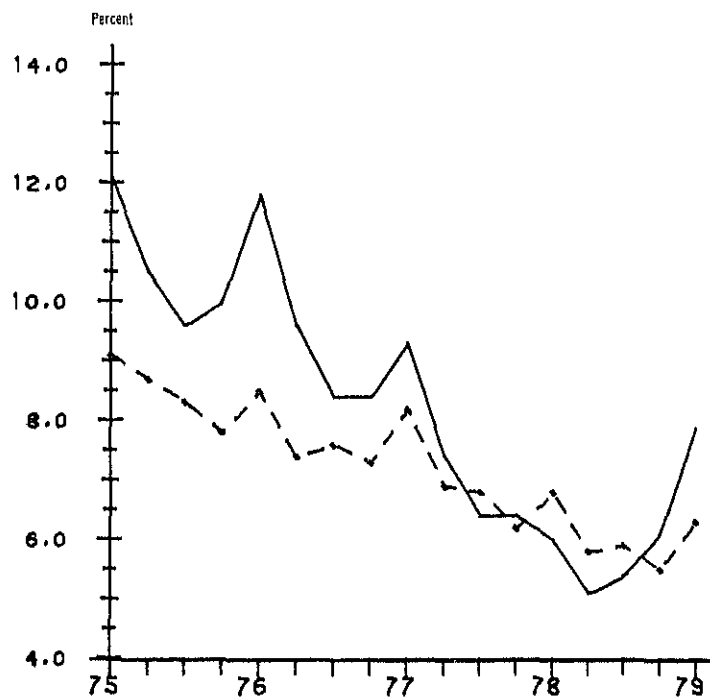
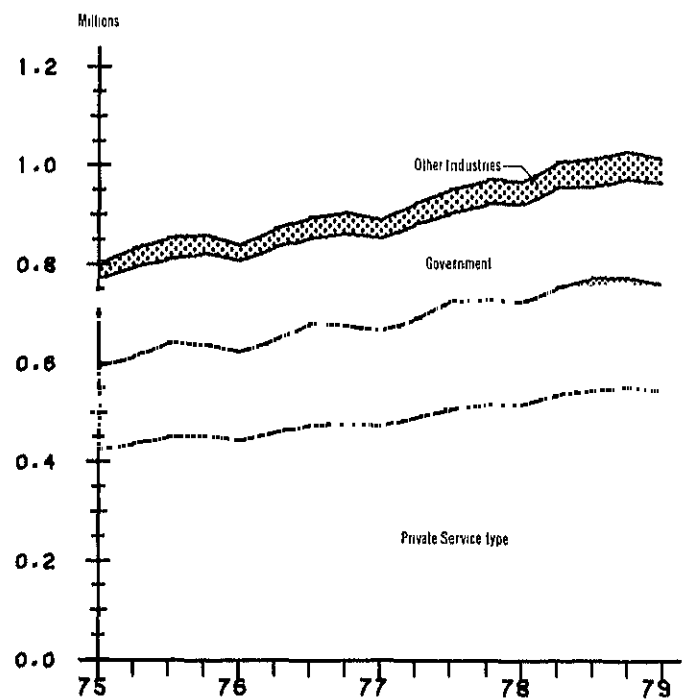


Chart 10.—Industrial Composition of Nonagricultural Employment: Oregon



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Oregon

	United States		Oregon				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	5,441	5,549	6,559	n.a.	15.6	20.6	---	---
Commercial and industrial	202,241	n.a.	1,790	1,859	2,134	n.a.	13.3	19.2	---	---
Loans to individuals	143,356	n.a.	1,168	1,211	1,429	n.a.	18.7	22.4	---	---
Real estate	183,599	n.a.	1,634	1,723	2,124	n.a.	19.6	30.0	---	---
Residential	104,830	n.a.	1,017	1,079	1,286	n.a.	22.1	26.4	---	---
Farms	7,919	n.a.	17	16	16	n.a.	9.6	-2.4	---	---
Other	70,851	n.a.	600	629	822	n.a.	17.0	37.0	---	---
Farms, excluding real estate	25,440	n.a.	242	243	261	n.a.	9.5	7.9	---	---
Other	64,581	n.a.	607	513	611	n.a.	7.9	5	---	---
Total deposits	911,772	n.a.	7,766	7,758	8,991	n.a.	9.3	15.8	---	---
Demand	344,245	n.a.	3,050	2,861	3,276	n.a.	5.6	7.4	---	---
Time and savings	567,527	n.a.	4,716	4,898	5,715	n.a.	11.9	21.2	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans rose 20.6 percent in Oregon from 1977:IV to 1978:IV, leading the national increase by 5.0 percentage points and ranking sixth among all State increases (table 5). All three major types of loans registered increases that led those of national counterparts and that were among the largest increases in the Nation. Real estate loans rose 30.0 percent, compared with a 19.6-percent increase in the Nation, to \$2.1 billion. Loans to individuals rose 22.4 percent, leading the national

increase of 18.7 percent, to \$1.4 billion. Commercial and industrial loans rose 19.2 percent, leading the Nation's increase by almost 6.0 percentage points, to \$2.1 billion.

Total deposits rose 15.8 percent, far outpacing the Nation's 9.3-percent increase and ranking third among all State increases. Time and savings deposits rose 21.2 percent, the largest increase in the Nation, to \$5.7 billion. Demand deposits rose 7.4 percent versus 5.6 percent nationally, to \$3.3 billion.

Construction

The total valuation of contracts in Oregon rose 18.6 percent from 1978:I to 1979:I, about 1 percentage point less than the Nation's average gain, to \$593 million (table 6). National construction costs rose about 14 percent during the same timespan; if this national rise reflects the cost advance throughout Oregon, the real total valuation of contracts in the State rose about 5 percent versus about 6 percent nationally.

The valuation of residential housekeeping contracts declined 6.3 percent over the same timespan, to \$265 million. The decline contrasted with the Nation's 11.8-percent gain and was one of the largest declines among all States. The number of dwelling units started declined by one-fourth in the State, from just over 9,300 units in 1978:I to fewer than 7,000 units in 1979:I. Oregon's percentage decline was exceeded in only Utah and Missouri. Nationally, a 2.6-percent gain was registered.

The other major construction markets in the State registered strong gains from year to year. Additions and alterations to residential housekeeping units rose 28.7 percent in valuation, leading the Nation's gain by more than 10 percentage points, to \$88.3 million.

The valuation of nonresidential contracts rose by one-half, far exceeding the 28.0-percent national gain, to \$147 million. Despite a gain in valuation of only 3.4 percent in the street and highway component, nonbuilding contracts in the State doubled in valuation from year to year. Nationally, street and highway contracts rose 61.2 percent in valuation, and all nonbuilding contracts rose 23.7 percent.

Chart 14.—Construction Contracts—Total Valuation

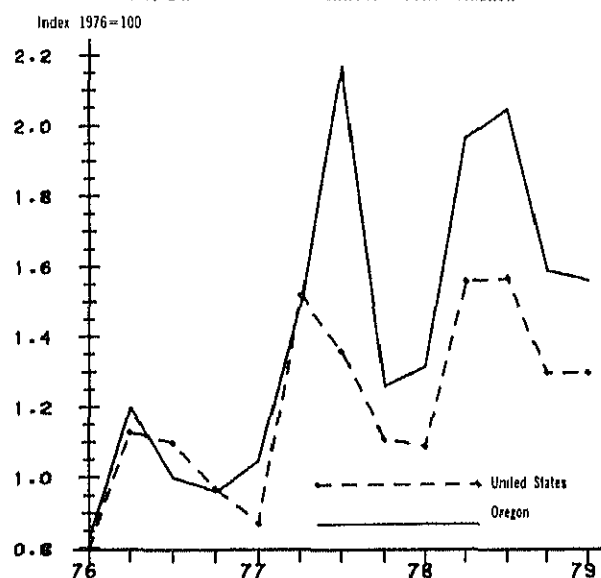


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Oregon

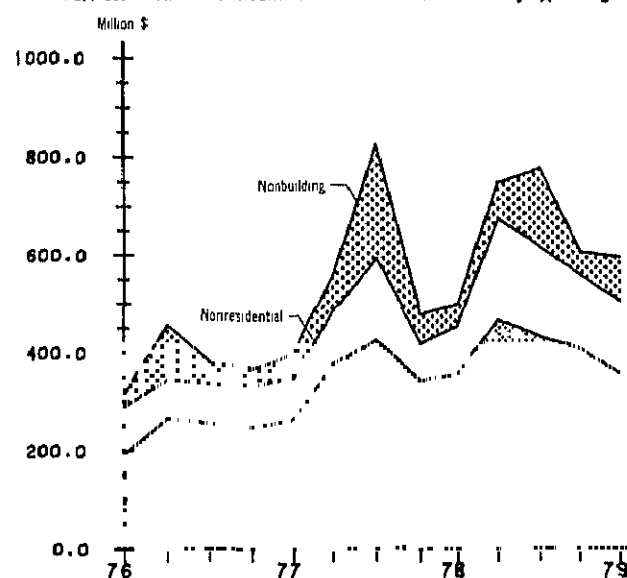


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

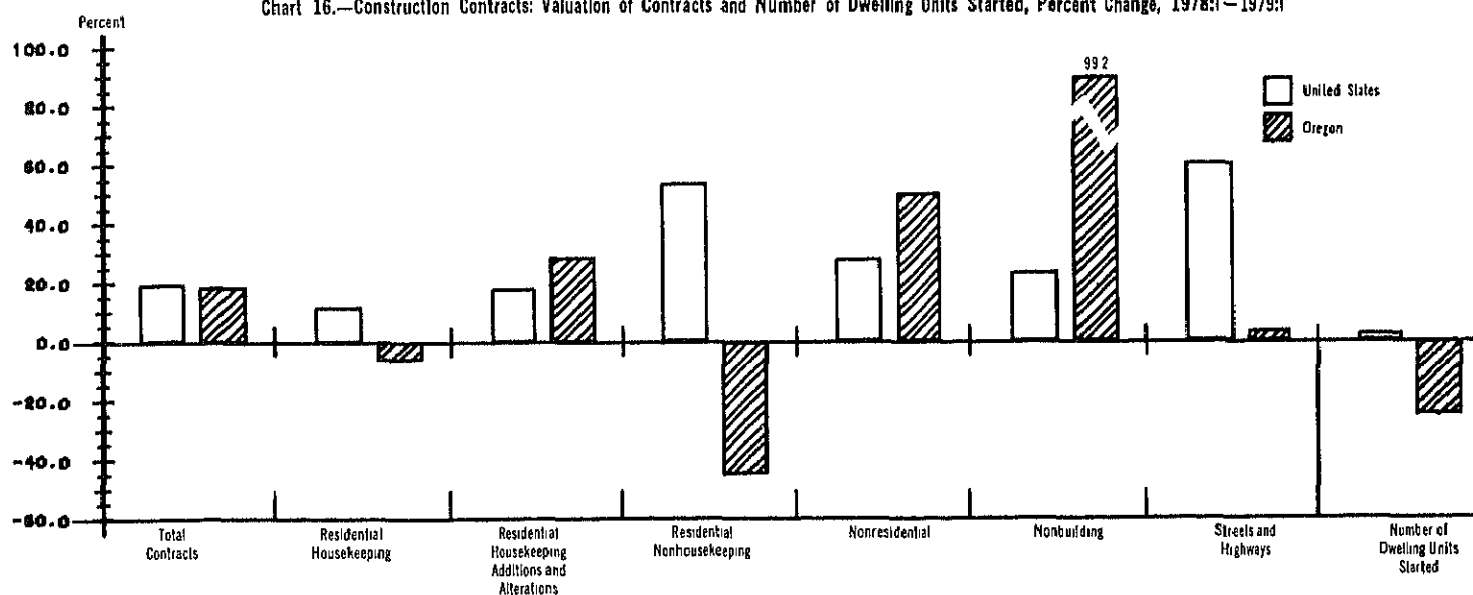


TABLE 6.—Construction Contracts, United States and Oregon¹

	United States		Oregon				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	479,460	500,060	604,397	592,959	16.8	26.1	19.8	18.6
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	88,607	68,640	111,595	88,324	14.6	25.9	17.9	28.7
All other contracts										
Number of contracts	53,028	53,454	678	624	694	687	-9.3	2.4	8	10.1
Valuation (thousands of dollars)	32,202,931	38,675,376	390,853	431,420	492,802	504,635	17.3	26.1	20.1	17.0
Floor area (thousands of square feet)	807,538	904,811	13,387	14,641	16,057	14,791	10.3	19.9	12.0	1.0
Residential housekeeping										
Number of contracts	13,592	14,399	232	225	202	201	-4.3	-12.9	5.9	-10.7
Number of dwelling units	404,171	414,826	8,234	9,343	7,466	6,972	-2	-9.3	2.6	-25.4
Valuation (thousands of dollars)	13,806,696	15,431,523	248,545	283,055	289,645	265,135	15.6	16.5	11.8	-6.3
Floor area (thousands of square feet)	546,445	571,860	9,876	11,109	10,735	9,588	10.7	10.9	4.7	-13.7
Residential nonhousekeeping										
Number of contracts	441	464	3	5	8	9	-4	166.7	5.2	80.0
Valuation (thousands of dollars)	327,201	504,158	4,366	5,702	6,551	3,138	54.9	50.0	54.1	-45.0
Floor area (thousands of square feet)	8,179	11,483	149	225	192	96	34.7	28.9	40.4	-57.2
Nonresidential										
Number of contracts	25,282	23,514	277	282	363	317	-12.0	31.0	-7.0	12.4
Valuation (thousands of dollars)	9,056,146	11,595,243	77,804	97,997	150,159	147,369	16.3	93.0	28.0	50.4
Floor area (thousands of square feet)	252,915	321,468	3,562	3,307	5,130	5,107	8.7	44.0	27.1	54.4
Nonbuilding										
Number of contracts	13,713	15,077	166	112	121	160	-9.1	-27.1	9.9	42.9
Valuation (thousands of dollars)	9,012,888	11,144,452	60,138	44,666	46,447	88,993	20.6	-22.8	23.7	99.2
Streets and Highways										
Number of contracts	3,989	4,750	57	36	37	44	-17.8	-35.1	19.1	22.2
Valuation (thousands of dollars)	1,399,453	2,255,221	20,986	13,657	12,647	14,115	-18.1	-39.7	61.2	3.4

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Oregon are not available.

TABLE 7.—Retail Sales, United States and Oregon

	United States		Oregon				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

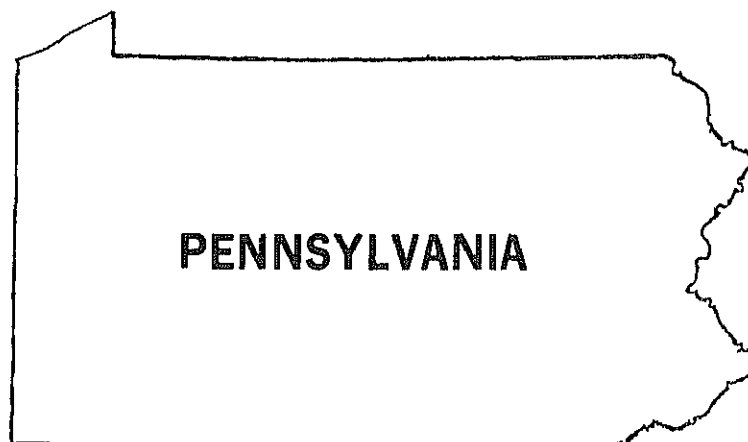
TABLE 8.—Business Incorporations and Failures, United States and Oregon

	United States		Oregon				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,342	1,563	1,643	n.a.	13.2	22.4	---	---
Total number of business failures	1,729	n.a.	37	34	29	n.a.	-4.9	-21.6	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	6,439	4,638	9,312	n.a.	13.7	44.6	---	---
Average liability per failure (thousands of dollars)	404	n.a.	174	136	321	n.a.	19.4	84.5	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	7	6	3	n.a.	6.0	-57.1	---	---
Construction	279	n.a.	13	11	4	n.a.	-8.2	-69.2	---	---
Wholesale trade	205	n.a.	3	1	4	n.a.	-6.3	33.3	---	---
Retail trade	769	n.a.	8	14	13	n.a.	-4	62.5	---	---
Commercial services	205	n.a.	6	2	6	n.a.	-23.5	.0	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



PENNSYLVANIA

Highlights

1978:I to 1979:I

Personal income

- Up 11.2% vs. 12.6% in U.S., to \$96.3 billion
- Payrolls up 6.2% in nondurables manufacturing vs. 9.9% in U.S.
- Payrolls up 10.2% in private service-type industries vs. 12.6% in U.S.

Consumer prices

- Up 10.0% in Northeast Pennsylvania, 9.0% in Philadelphia, and 12.8% in Pittsburgh vs. 9.9% in U.S.

Employment

- Up 2.4% vs. 3.8% in U.S., to 4.9 million

Unemployment

- Down more than 9,000, to 394,000
- Rate down to 7.5% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts down 23.1% vs. 19.8% increase in U.S.
- Valuation of nonbuilding contracts down 77.5% vs. 23.7% increase in U.S.
- Number of dwelling-unit starts up 19.7% vs. 2.6% in U.S.

Retail sales

- Up 15.8%, the same as nationally, to \$9.8 billion

TABLE 1.—Summary of Economic Indicators, United States and Pennsylvania

	United States		Pennsylvania				U.S.	State	U.S.	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1977 IV— 1978 IV	1978 I— 1979 I
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	85,369	86,587	94,591	96,297	12.6	10.8	12.6	11.7
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	54,423	55,217	60,526	61,557	12.6	11.2	12.8	11.5
Civilian employment (thousands)	91,401	94,901	4,825	4,754	4,987	4,870	3.9	3.4	3.8	2.4
Unemployment (thousands)	6,705	6,360	364	404	347	394	-8.8	-4.6	-5.1	-2.4
Percent unemployed (unemployment/labor force)	6.8	6.3	7.0	7.8	6.5	7.5	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	36,279	36,645	41,381	n.a.	15.6	14.1	---	---
Total deposits (millions of dollars)	911,772	n.a.	51,938	50,706	55,405	n.a.	9.3	6.7	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	1,481,651	1,600,296	1,634,895	1,230,438	16.8	10.3	19.8	-23.1
Dwelling units started (number)	404,171	414,826	12,027	7,458	13,910	8,927	-2	15.7	2.6	19.7
Total retail sales (millions of dollars)	167,940	194,529	10,388	8,454	11,257	9,790	11.2	8.4	15.8	15.8
New business incorporations (number)	115,247	n.a.	2,812	3,524	3,263	n.a.	13.2	16.0	---	---
Business failures (number)	1,729	n.a.	103	94	88	n.a.	-4.9	-14.6	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Northeast Pennsylvania	---	---	---	185.9	198.5	204.4	---	---	---	10.0
Philadelphia	---	---	187.1	188.6	200.6	205.5	---	7.2	---	9.0
Pittsburgh	---	---	183.5	184.9	202.9	208.6	---	10.6	---	12.8

n.a. Data not available.

Source: See tables 2 through 8.

Analysis

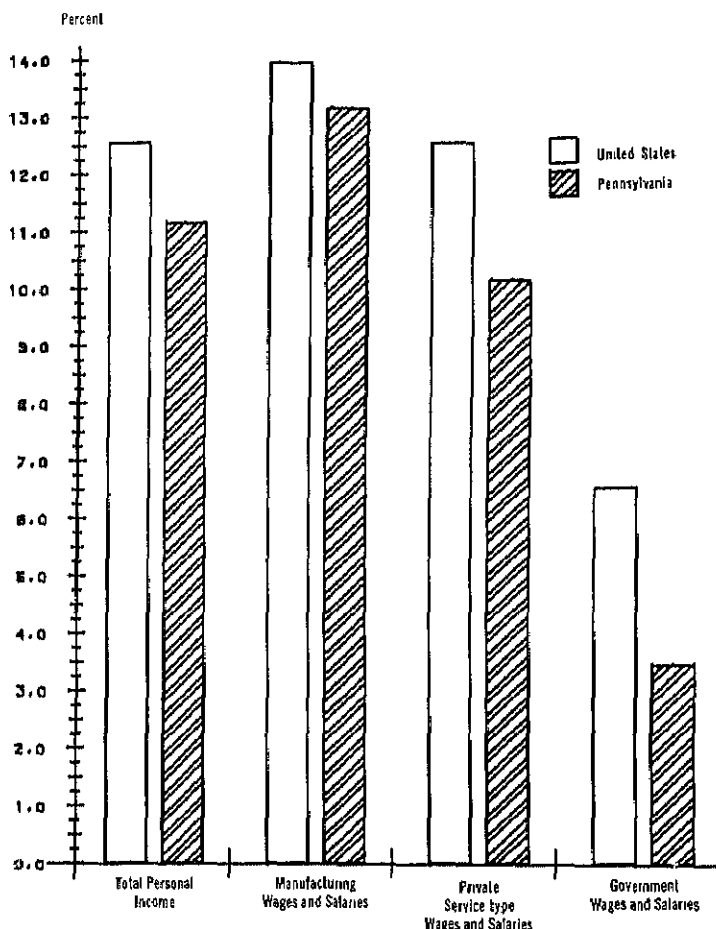
Personal Income

Total personal income (seasonally adjusted at annual rates) in Pennsylvania increased 11.2 percent from 1978:I to 1979:I versus 12.6 percent nationally (table 2). In 1979:I, the State's personal income totaled \$96.3 billion, up \$9.7 billion since 1978:I.

From 1978:I to 1979:I, consumer prices in the Northeast Pennsylvania, Philadelphia, and Pittsburgh metropolitan areas increased 10.0 percent, 9.0 percent, and 12.8 percent, respectively, compared with a national city average increase of 9.9 percent (table 3). If an average of the three area increases is used as an indicator for price movements in the State, real total personal income in Pennsylvania increased only 0.6 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 11.5 percent from 1978:I to 1979:I versus 12.8 percent nationally. In 1979:I, payrolls totaled \$61.6 billion in the State, up \$6.3 billion since 1978:I.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Nondurable goods manufacturing payrolls increased only 6.2 percent in Pennsylvania versus 9.9 percent nationally; the State's increase was one of the smallest in the Nation. Durables manufacturing payrolls, in contrast, increased slightly more in the State, 16.6 percent, than nationally, 16.2 percent. Durables payrolls accounted for 34 percent of the year-to-year increase in all payrolls in Pennsylvania.

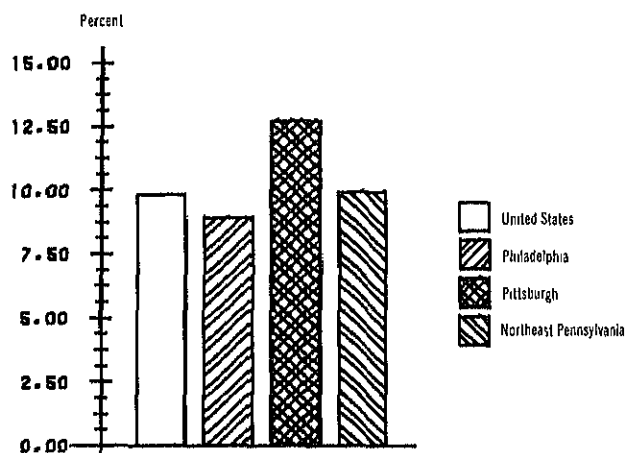
In the private service-type industry group, payroll increases of 11.8 percent in trade and 9.2 percent in services were among the smallest in the Nation; corresponding national increases were 13.7 percent and 11.7 percent, respectively. Transportation-communication-public utilities payrolls increased 8.6 percent in the State versus 11.5 percent nationally, and finance-insurance-real estate payrolls increased 10.8 percent versus 13.3 percent nationally.

A 2.0-percent increase in State and local government payrolls was one of the smallest increases in the Nation and was 4.1 percentage points less than the national increase. At the Federal Government level, payrolls increased 7.5 percent in Pennsylvania, about the same as nationally.

Construction payrolls increased 14.3 percent in the State, 7.0 percentage points less than nationally.

Mining was the only major industry in Pennsylvania, apart from durables manufacturing, that registered an above-national-average increase in payrolls from year to year. Mining payrolls increased 161.9 percent versus 59.5 percent nationally; the State's increase was one of the largest in the Nation and reflected the resumption of coal-mining activities after a miners' strike in 1978:I.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I



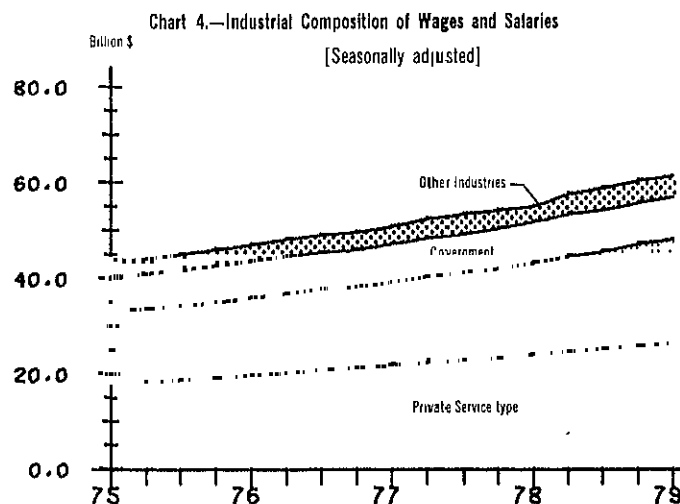
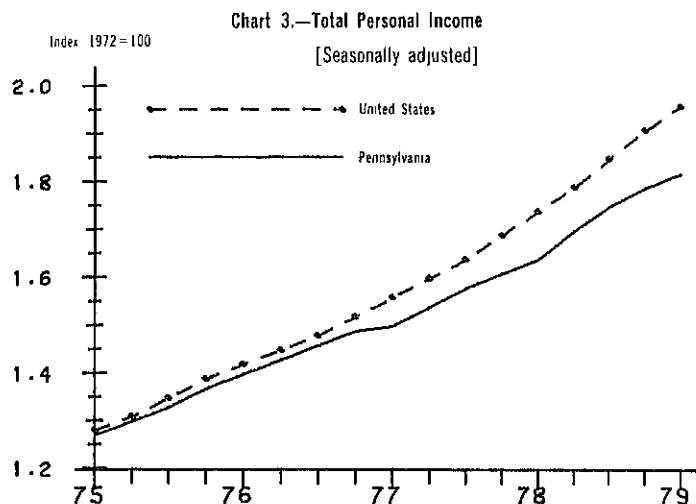


TABLE 2.—Personal Income, United States and Pennsylvania

	United States		Pennsylvania				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV-- 1978 IV		1978 I-- 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	85,369	86,587	94,591	96,297	12.6	10.8	12.6	11.2
Farm personal income	32,083	40,141	545	589	800	877	26.3	46.9	25.1	49.0
Nonfarm personal income	1,592,582	1,789,374	84,824	85,998	93,790	95,419	12.3	10.6	12.4	11.0
Total personal income	1,624,665	1,829,515	85,369	86,587	94,591	96,297	12.6	10.8	12.6	11.2
Wage and salary disbursements	1,042,716	1,176,598	54,423	55,217	60,526	61,557	12.6	11.2	12.8	11.5
Other labor income	99,957	115,833	5,516	5,620	6,361	6,501	16.4	15.3	15.9	15.7
Proprietors' income	108,808	126,535	4,912	5,006	5,729	5,728	18.9	16.7	16.3	14.4
Farm	24,448	31,221	324	365	551	611	31.3	70.0	27.7	67.3
Nonfarm	84,360	95,314	4,588	4,640	5,179	5,117	15.3	12.9	13.0	10.3
Dividends, interest, and rent	221,191	250,595	10,502	10,776	11,667	12,039	12.8	11.1	13.3	11.7
Transfer payments	219,202	238,794	13,826	13,959	14,646	15,076	8.2	5.9	8.9	8.0
State unemployment insurance benefits	9,997	8,023	1,169	1,036	703	844	-30.3	-39.8	-19.7	-18.5
Less personal contributions	66,792	78,351	3,303	3,483	3,755	4,033	15.1	13.7	17.3	15.8
Plus residence adjustment	-417	-489	-507	-507	-584	-572	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	54,423	55,217	60,526	61,557	12.6	11.2	12.8	11.5
Farm	7,215	8,422	215	217	243	259	10.6	12.9	16.7	19.1
Nonfarm	1,035,501	1,168,176	54,208	54,999	60,283	61,298	12.6	11.2	12.8	11.5
Mining	12,013	19,166	785	387	1,031	1,015	33.9	31.3	59.5	161.9
Construction	56,564	68,593	2,704	2,567	3,141	2,933	20.1	16.2	21.3	14.3
Manufacturing	285,735	325,636	18,903	19,284	21,356	21,823	13.3	13.0	14.0	13.2
Durable goods	182,321	211,944	12,757	12,881	14,367	15,022	15.2	12.6	16.2	16.6
Nondurable goods	103,414	113,692	6,145	6,403	6,988	6,801	10.0	13.7	9.9	6.2
Private service type	473,132	532,823	23,346	24,135	25,978	26,589	13.1	11.3	12.6	10.2
Transportation, communication, and public utilities	79,598	88,755	4,206	4,404	4,653	4,783	11.3	10.6	11.5	8.6
Wholesale and retail trade	177,331	201,608	8,212	8,438	9,256	9,430	14.1	12.7	13.7	11.8
Finance, insurance, and real estate	55,930	63,373	2,547	2,632	2,835	2,915	13.2	11.3	13.3	10.8
Services	160,273	179,087	8,381	8,662	9,234	9,461	12.7	10.2	11.7	9.2
Government	204,558	218,008	8,374	8,520	8,666	8,819	6.9	3.5	6.6	3.5
Federal	68,698	73,916	2,286	2,322	2,475	2,496	7.1	8.3	7.6	7.5
State and local	135,860	144,092	6,088	6,198	6,191	6,323	6.8	1.7	6.1	2.0
Other	3,499	3,950	97	106	111	119	14.6	14.4	12.9	12.7

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Pennsylvania¹

	United States		Pennsylvania				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV		1978:I-- 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Northeast Pennsylvania	---	---	---	185.9	198.5	204.4	---	---	---	10.0
Philadelphia	---	---	187.1	188.6	200.6	205.5	---	7.2	---	9.0
Pittsburgh	---	---	183.5	184.9	202.9	208.6	---	10.6	---	12.8

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2 Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Pennsylvania's civilian labor force increased 2.1 percent versus 3.2 percent nationally (table 4). The State's increase was one of the smallest in the Nation. Total employment increased 2.4 percent (to 4.9 million), compared with a 3.8-percent national increase.

With employment increasing by about 116,000 and the labor force increasing by about 107,000, the number of unemployed declined between 9,000 and 10,000, to 394,000. The unemployment rate declined slightly, to 7.5 percent of the labor force in 1979:I versus 6.3 percent nationally.

Among Pennsylvania's major metropolitan areas, preliminary unemployment rates for March 1979, when the State's rate was 7.8 percent, ranged from 10.5 percent in Williamsport, 10.4 percent in Altoona, and 10.2 percent in Johnstown to 5.2 percent in York and 5.0 percent in Lancaster. In Philadelphia (which accounted for 40 percent of the State's total labor force in March 1979), the rate was 7.8 percent, and in Pittsburgh (which accounted for 19 percent), the rate was 6.7 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I
Pennsylvania

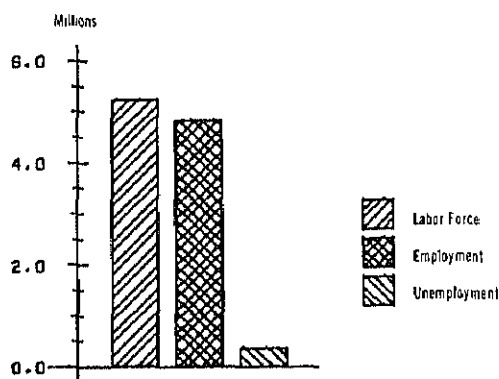


Chart 6.—Unemployment Rates, 1978:I–1979:I

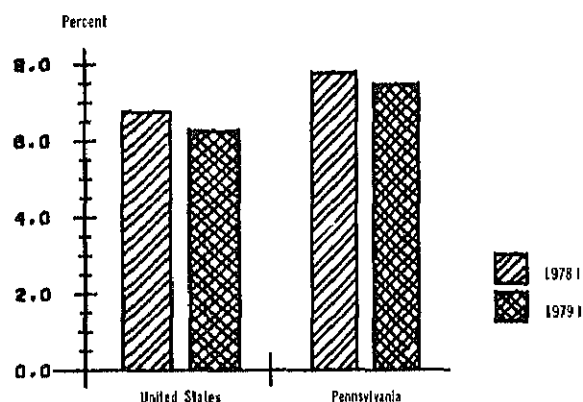


TABLE 4.—Labor Force, United States and Pennsylvania

	United States		Pennsylvania				U.S.	State	U.S.	State
	1978 I	1979 I	1977:IV	1978 I	1978 IV	1979:I	1977:IV- 1978:IV		1978 I- 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	4,636	4,532	4,731	4,638	4.2	2.0	2.9	2.3
Mining	730	896	43	25	53	52	14.4	25.6	22.7	109.6
Construction	3,784	3,973	195	157	205	161	11.2	5.2	5.0	2.7
Manufacturing	20,064	20,652	1,344	1,339	1,373	1,364	3.6	2.1	2.9	1.9
Transportation, communication, and public utilities	4,779	4,943	264	259	269	266	4.4	2.1	3.4	2.7
Wholesale and retail trade	18,937	19,549	978	944	997	958	4.5	1.9	3.2	1.5
Finance, insurance, and real estate	4,601	4,790	220	221	230	232	5.2	4.3	4.1	5.3
Services	15,758	16,149	874	864	903	895	4.4	3.4	2.5	3.6
Government	15,435	15,648	719	723	701	709	1.4	-2.5	1.4	-2.0
Civilian labor force ³	98,106	101,260	5,189	5,157	5,335	5,264	3.1	2.8	3.2	2.1
Total employed	91,401	94,901	4,825	4,754	4,987	4,870	3.9	3.4	3.8	2.4
Total unemployed	6,705	6,360	364	404	347	394	-8.8	-4.6	-5.1	-2.4
Percent unemployed	6.8	6.3	7.0	7.8	6.5	7.5	---	---	---	---

1 Detail may not add to totals because of rounding.

2 Based on unrounded data.

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7—Civilian Labor Force

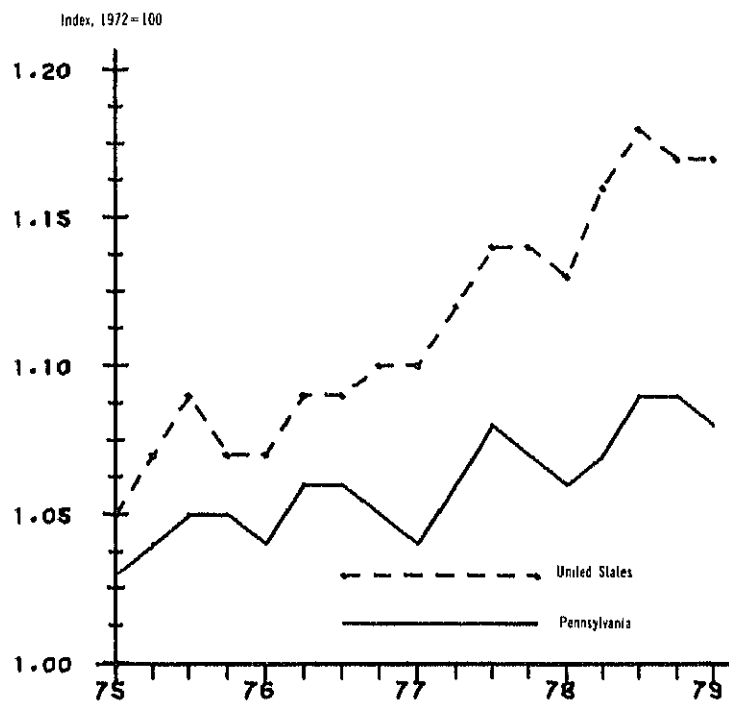


Chart 8.—Civilian Employment

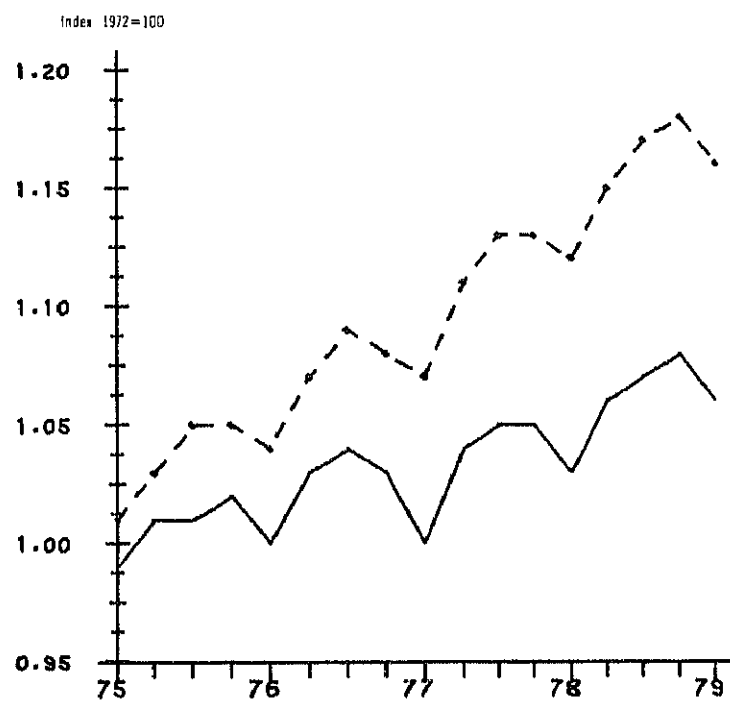


Chart 9.—Unemployment Rate

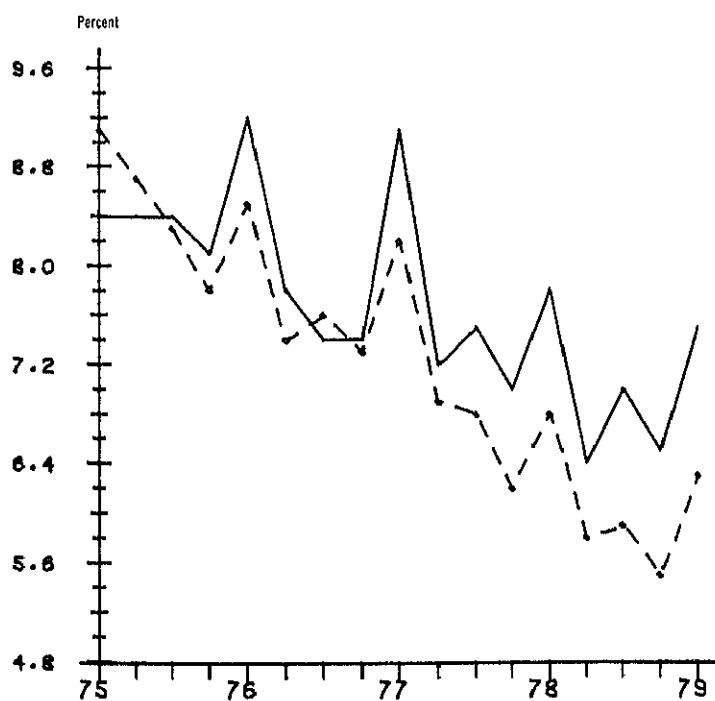
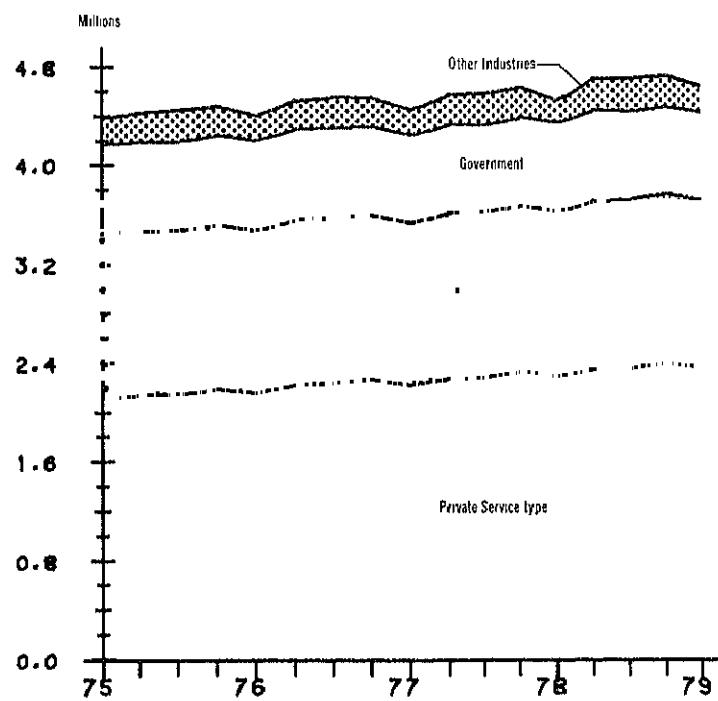


Chart 10.—Industrial Composition of Nonagricultural Employment: Pennsylvania



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I—1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Pennsylvania

	United States		Pennsylvania				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	36,279	36,645	41,381	n.a.	15.6	14.1	---	---
Commercial and industrial	202,241	n.a.	11,567	11,758	12,735	n.a.	13.3	10.1	---	---
Loans to individuals	143,356	n.a.	8,109	8,056	9,411	n.a.	18.7	16.1	---	---
Real estate	183,599	n.a.	11,954	12,362	14,004	n.a.	19.6	17.1	---	---
Residential	104,830	n.a.	7,164	7,475	8,853	n.a.	22.1	23.6	---	---
Farms	7,919	n.a.	304	311	345	n.a.	9.6	13.4	---	---
Other	70,851	n.a.	4,486	4,576	4,806	n.a.	17.0	7.1	---	---
Farms, excluding real estate	25,440	n.a.	274	276	313	n.a.	9.5	14.1	---	---
Other	64,581	n.a.	4,375	4,194	4,917	n.a.	7.9	12.4	---	---
Total deposits	911,772	n.a.	51,938	50,706	55,405	n.a.	9.3	6.7	---	---
Demand	344,245	n.a.	17,590	16,094	18,018	n.a.	5.6	2.4	---	---
Time and savings	567,527	n.a.	34,348	34,612	37,387	n.a.	11.9	8.8	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV—1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 14.1 percent (\$5.1 billion) in Pennsylvania from 1977:IV to 1978:IV, 1.5 percentage points less than nationally (table 5). In 1978:IV, bank loans totaled \$41.4 billion in the State. Commercial and industrial loans increased 10.1 percent from year to year versus 13.3 percent nationally, and loans to individuals increased 16.1 percent versus 18.7 percent nationally. Similarly, total real estate loans

increased 17.1 percent in the State, 2.5 percentage points less than nationally; residential real estate loans, in contrast, increased 23.6 percent from year to year, 1.5 percentage points more than nationally.

Total deposits increased 6.7 percent (\$3.5 billion) from 1977:IV to 1978:IV, 2.6 percentage points less than nationally. In 1978:IV, bank deposits totaled \$55.4 billion in the State. Time and savings deposits increased 8.8 percent from year to year versus 11.9 percent nationally, and demand deposits increased 2.4 percent versus 5.6 percent nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts declined 23.1 percent (\$369.9 million), to \$1.2 billion (table 6). Pennsylvania's decline was one of the largest in the Nation and compared unfavorably with a national increase of 19.8 percent. In 1978:I, a \$576 million contract for the construction of an electric generating plant in Beaver County raised the State's total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If this contract is excluded, the total valuation of contracts in Pennsylvania would have increased 20.1 percent from year to year.

National construction costs increased about 14 percent from 1978:I to 1979:I, and if this national increase is representative of the cost increase throughout the State, the real increase in the total valuation of contracts in Pennsylvania (excluding the Beaver County contract) was about 6 percent, the same as nationally.

Primarily reflecting the electric generating plant contract, the valuation of nonbuilding contracts declined 77.5 percent (\$535.7 million) from year to year, compared with a 23.7-percent national gain.

Pennsylvania's decline was exceeded by declines in only Iowa, New Jersey, and New Hampshire. In sharp contrast, street and highway contracts, a major component of nonbuilding contracts, increased 170.0 percent in valuation versus 61.2 percent nationally; the State's increase was one of the largest among all States.

The valuation of contracts for additions and alterations to residential housekeeping units declined 2.9 percent (\$12.5 million) versus a 17.9-percent national increase. Hawaii and the District of Columbia had the only other declines. In contrast, the valuation of contracts for new residential housekeeping units increased 35.0 percent (\$87.4 million) in the State versus 11.8 percent nationally. The number of dwelling units started in Pennsylvania increased 19.7 percent versus 2.6 percent nationally.

Nonresidential contracts increased 40.1 percent (\$88.3 million) in valuation, 12.1 percentage points more than nationally. Residential nonhousekeeping contracts, which include contracts for the construction of hotels, motels, and dormitories, increased 29.9 percent (\$2.7 million) in valuation versus 54.1 percent nationally.

Chart 14.—Construction Contracts—Total Valuation
Index 1976=100

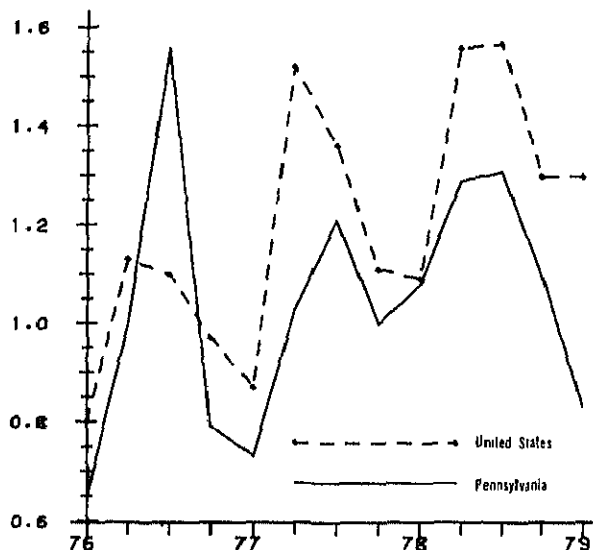


Chart 15.—Construction Contracts—Valuation of Contracts by Type:
Billion \$ Pennsylvania

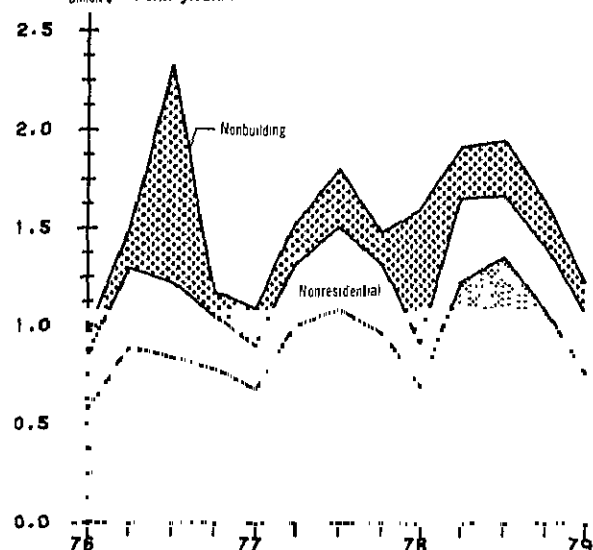


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

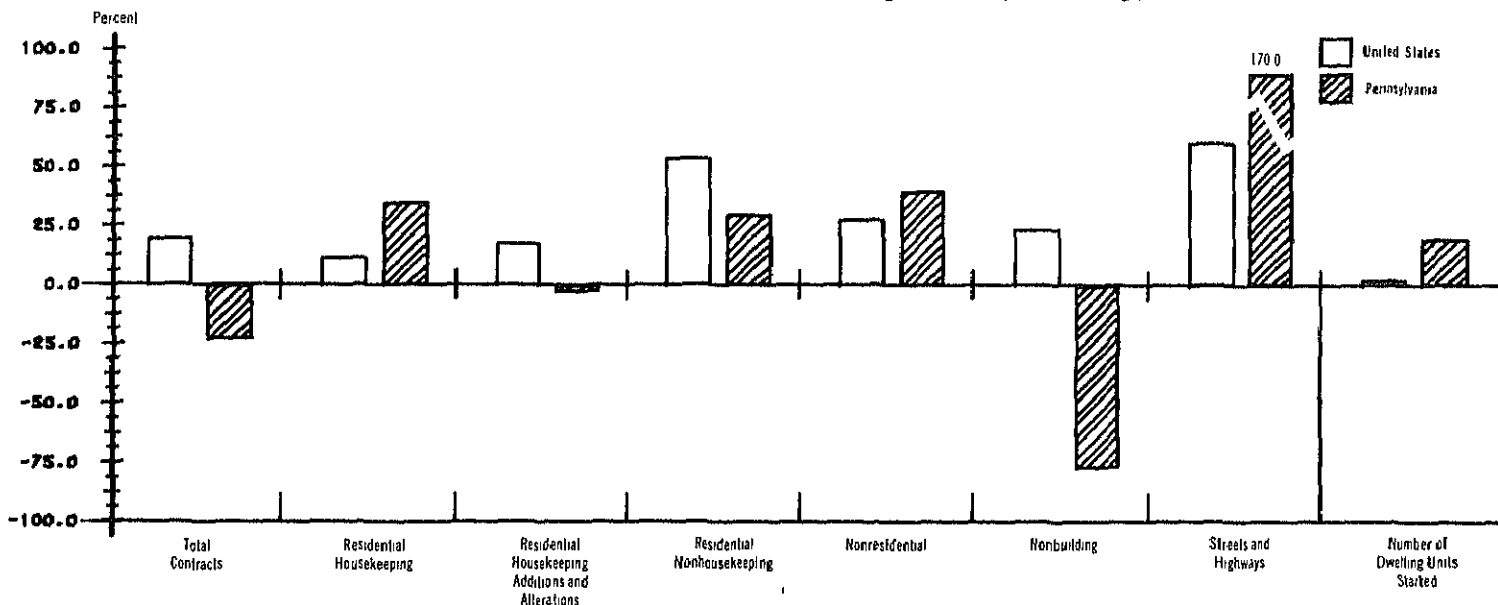


TABLE 6.—Construction Contracts, United States and Pennsylvania¹

	United States		Pennsylvania				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	1,481,651	1,600,296	1,634,895	1,230,438	16.8	10.3	19.8	-23.1
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	542,617	429,612	522,320	417,068	14.6	-3.7	17.9	-2.9
All other contracts										
Number of contracts	53,028	53,454	2,004	1,542	1,804	1,666	-9.3	-10.0	8	8.0
Valuation (thousands of dollars)	32,202,931	38,675,376	939,034	1,170,684	1,112,575	813,370	17.3	18.5	20.1	-30.5
Floor area (thousands of square feet)	807,538	904,811	23,910	14,033	27,405	19,095	10.3	14.6	12.0	36.1
Residential housekeeping										
Number of contracts	13,592	14,399	330	299	330	299	-4.3	0	5.9	0
Number of dwelling units	404,171	414,826	12,027	7,458	13,910	8,927	-2	15.7	2.6	19.7
Valuation (thousands of dollars)	13,806,696	15,431,523	415,912	249,960	509,683	337,326	15.6	22.5	11.8	35.0
Floor area (thousands of square feet)	546,445	571,860	14,966	9,026	18,110	11,527	10.7	20.8	4.7	27.7
Residential nonhousekeeping										
Number of contracts	441	464	5	12	9	13	-4	80.0	5.2	8.3
Valuation (thousands of dollars)	327,201	504,158	3,840	9,000	49,953	11,695	54.9	***	54.1	29.9
Floor area (thousands of square feet)	8,179	11,483	173	213	485	352	34.7	180.4	40.4	64.9
Nonresidential										
Number of contracts	25,282	23,514	915	723	772	636	-12.0	-15.6	-7.0	-12.0
Valuation (thousands of dollars)	9,056,146	11,595,243	351,898	220,210	323,573	308,497	16.3	-8.0	28.0	40.1
Floor area (thousands of square feet)	252,915	321,468	8,751	4,794	8,811	7,217	8.7	7	27.1	50.5
Nonbuilding										
Number of contracts	13,713	15,077	754	508	693	718	-9.1	-8.1	9.9	41.3
Valuation (thousands of dollars)	9,012,888	11,144,452	167,384	691,514	229,366	155,852	20.6	37.0	23.7	-77.5
Streets and Highways										
Number of contracts	3,989	4,750	202	127	190	246	-17.8	-5.9	19.1	93.7
Valuation (thousands of dollars)	1,399,453	2,255,221	38,125	14,220	41,090	38,400	-18.1	7.8	61.2	170.0

***Percent change greater than 999.9

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Pennsylvania totaled \$9.8 billion in 1979:I, up 15.8 percent (\$1.3 billion) since 1978:I, the same as the Nation's rate of increase (table 7). In 1979:I, nondurable goods totaled \$6.8 billion, and durable goods totaled \$3.0 billion.

TABLE 7.—Retail Sales, United States and Pennsylvania

	United States		Pennsylvania				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	10,388	8,454	11,257	9,790	11.2	8.4	15.8	15.8
Durable goods	55,388	68,203	n a	n a	3,229	2,999	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n a	n a	8,028	6,791	9.2	---	12.3	---

n a Data not available

Source: U.S. Department of Commerce, Bureau of Census

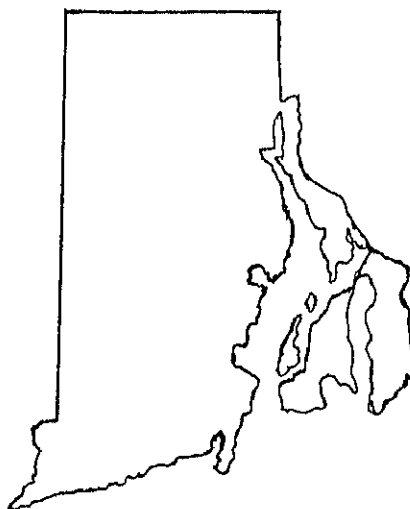
TABLE 8.—Business Incorporations and Failures, United States and Pennsylvania

	United States		Pennsylvania				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978:IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	2,812	3,524	3,263	n.a.	13.2	16.0	---	---
Total number of business failures	1,729	n.a.	103	94	88	n.a.	-4.9	-14.6	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	20,502	20,851	69,293	n.a.	13.7	238.0	---	---
Average liability per failure (thousands of dollars)	404	n.a.	199	222	787	n.a.	19.4	295.5	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	17	17	15	n.a.	6.0	-11.8	---	---
Construction	279	n.a.	23	14	16	n.a.	-8.2	-30.4	---	---
Wholesale trade	205	n.a.	10	13	10	n.a.	-6.3	0	---	---
Retail trade	769	n.a.	44	37	39	n.a.	-4	-11.4	---	---
Commercial services	205	n.a.	9	13	11	n.a.	-23.5	22.2	---	---

n a Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



RHODE ISLAND

Highlights

1978:I to 1979:I

Personal income

- Up 11.0%, 1.6 percentage points less than in U.S.
- Payrolls weak in all private service-type industries
- Payrolls strong in durable goods manufacturing

Consumer prices

- Up 7.9% in Boston vs. 9.9% in U.S.

Employment

- Up 2.6% vs. 3.8% in U.S., to 398,000

Unemployment

- Little changed, at about 35,000
- Rate down to 7.8% of labor force vs. 6.3% in U.S.

Construction

- Total valuation of contracts up 80.0% vs. 19.8% in U.S., to \$123 million
- Valuation of nonresidential contracts especially strong
- Number of dwelling-unit starts up 25.7% vs. 2.6% in U.S., to 762

TABLE 1.—Summary of Economic Indicators, United States and Rhode Island

	United States		Rhode Island				U S	State	U S	State
	1978 I	1979 I	1977.IV	1978 I	1978 IV	1979.I	1977.IV— 1978 IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	6,571	6,694	7,325	7,433	12.6	11.5	12.6	11.0
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	4,059	4,115	4,552	4,605	12.6	12.1	12.8	11.9
Civilian employment (thousands)	91,401	94,901	412	388	414	398	3.9	3	3.8	2.6
Unemployment (thousands)	6,705	6,360	32	35	25	34	-8.8	-21.7	-5.1	-2.5
Percent unemployed (unemployment/labor force)	6.8	6.3	7.2	8.2	5.7	7.8	---	---	---	---
Total loans (millions of dollars)	619,218	n a	2,936	2,967	3,337	n a	15.6	13.6	---	---
Total deposits (millions of dollars)	911,772	n a	3,772	3,746	4,212	n a	9.3	11.7	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	129,856	68,091	140,651	122,542	16.8	8.3	19.8	80.0
Dwelling units started (number)	404,171	414,826	1,394	606	1,420	762	-2	1.9	2.6	25.7
Total retail sales (millions of dollars)	167,940	194,529	n a	n a	n a	n a	11.2	---	15.8	---
New business incorporations (number)	115,247	n a	474	506	551	n a	13.2	16.2	---	---
Business failures (number)	1,729	n a	13	9	14	n a	-4.9	7.7	---	---
Consumer Price Index (1967=100).										
U S city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Boston	---	---	185.3	187.7	199.2	202.5	---	7.5	---	7.9

n a . Data not available

Source. See tables 2 through 8

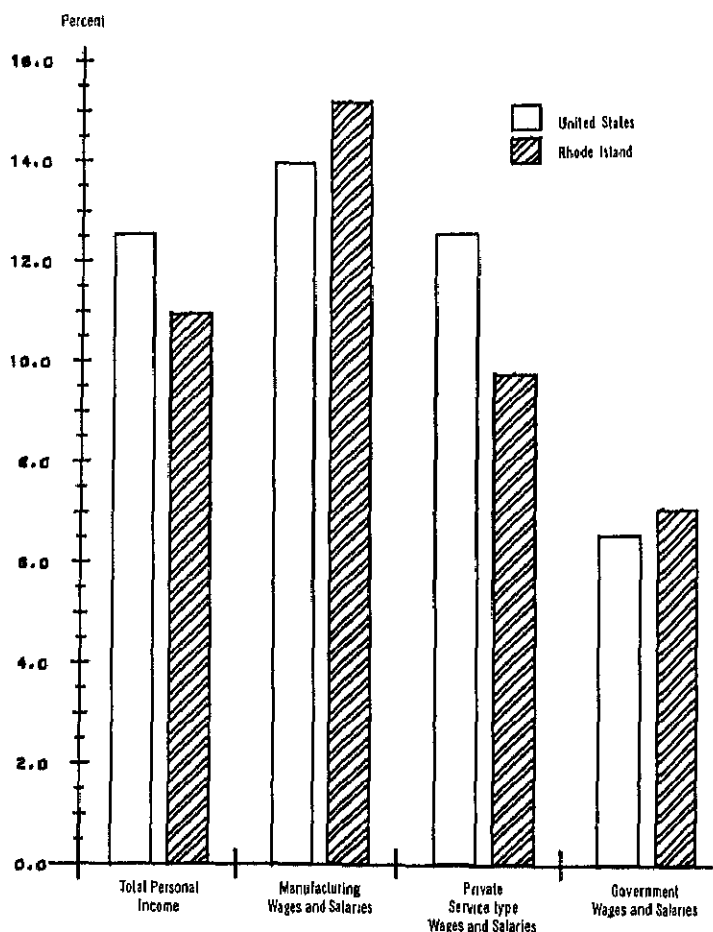
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 11.0 percent from 1978:I to 1979:I, 1.6 percentage points less than nationally (table 2). In 1979:I, Rhode Island's total personal income was \$7.4 billion, for an increase of \$0.7 billion since 1978:I. The income increase in each New England State was near the national average.

Consumer prices in Boston, the metropolitan area closest to Rhode Island for which price data are available, increased 7.9 percent from 1978:I to 1979:I versus a national increase of 9.9 percent (table 3). If Boston's increase is used as an indicator for price movements in the State, real total personal income in Rhode Island increased 3.1 percent from year to year versus 2.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 11.9 percent in Rhode Island versus 12.8 percent in the Nation. In 1979:I, payrolls totaled \$4.6 billion, for an increase of \$0.5 billion since 1978:I.

The increase in private service-type payrolls was only 9.8 percent in Rhode Island, 2.8 percentage points less than in the Nation. Rhode Island's increase exceeded increases in only four States. The increase in the State in each of the component private service-type industries was less than the corresponding increase nationally. Increases in Rhode Island were particularly small in finance-insurance-real estate and transportation-communication-public utilities.

In contrast, construction payrolls increased 31.2 percent in Rhode Island, nearly 10 percentage points more than in the Nation. Among all States, Rhode Island's increase ranked eighth. Manufacturing payrolls increased 15.2 percent in Rhode Island versus 14.0 percent in the Nation. Strength was centered in durable goods manufacturing payrolls; nondurable goods payrolls increased about as much in the State as in the Nation.

Government payrolls increased 7.1 percent in Rhode Island versus 6.6 percent in the Nation. Strength centered in Federal Government payrolls, up 10.2 percent versus 7.6 percent in the Nation. State and local government payrolls increased about 6 percent in both Rhode Island and the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

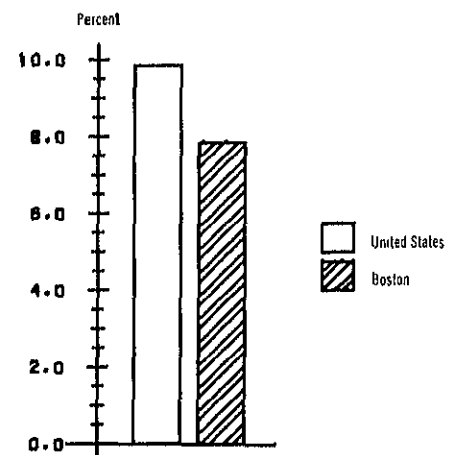


Chart 3.—Total Personal Income
[Seasonally adjusted]

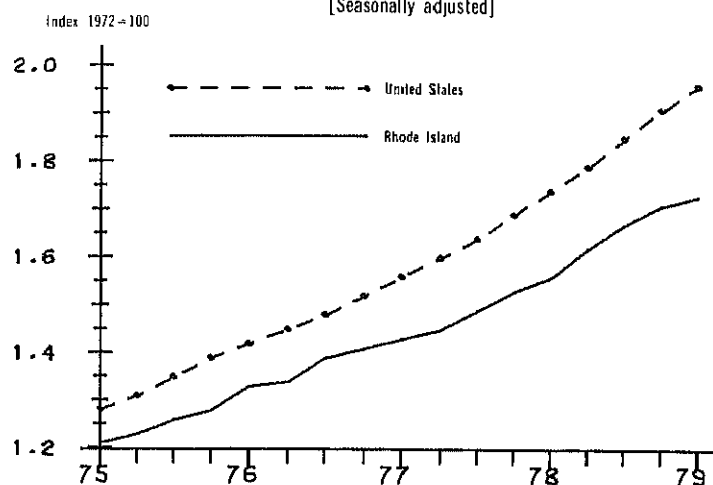


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

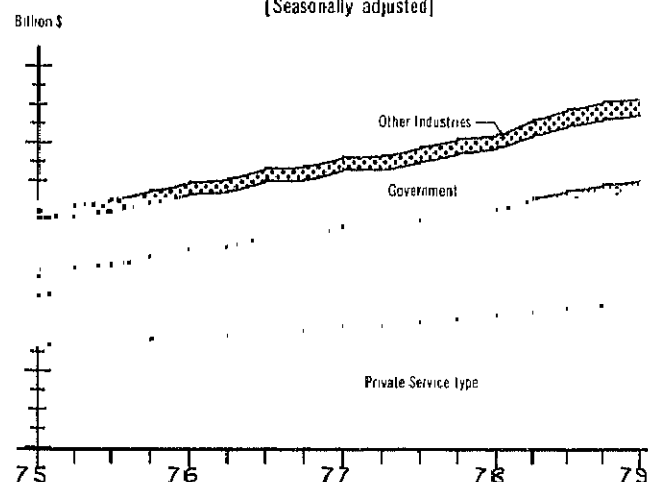


TABLE 2.—Personal Income, United States and Rhode Island

	United States		Rhode Island				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	6,571	6,694	7,325	7,433	12.6	11.5	12.6	11.0
Farm personal income	32,083	40,141	7	6	7	7	26.3	-1.9	25.1	14.3
Nonfarm personal income	1,592,582	1,789,374	6,565	6,688	7,318	7,425	12.3	11.5	12.4	11.0
Total personal income	1,624,665	1,829,515	6,571	6,694	7,325	7,433	12.6	11.5	12.6	11.0
Wage and salary disbursements	1,042,716	1,176,598	4,059	4,115	4,552	4,605	12.6	12.1	12.8	11.9
Other labor income	99,957	115,833	395	407	456	465	16.4	15.3	15.9	14.2
Proprietors' income	108,808	126,535	277	278	310	309	18.9	12.0	16.3	11.1
Farm	24,448	31,221	1	1	1	1	31.3	-44.5	27.7	30.6
Nonfarm	84,360	95,314	276	277	309	308	15.3	12.2	13.0	11.0
Dividends, interest, and rent	221,191	250,595	843	865	933	962	12.8	10.7	13.3	11.3
Transfer payments	219,202	238,794	1,120	1,159	1,216	1,245	8.2	8.6	8.9	7.4
State unemployment insurance benefits	9,997	8,023	91	108	83	88	-30.3	-9.1	-19.7	-18.8
Less personal contributions	66,792	78,351	286	302	325	350	15.1	13.9	17.3	15.9
Plus residence adjustment	-417	-489	163	172	183	197	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	4,059	4,115	4,552	4,605	12.6	12.1	12.8	11.9
Farm	7,215	8,422	5	5	6	6	10.6	6.0	16.7	11.8
Nonfarm	1,035,501	1,168,176	4,054	4,110	4,547	4,599	12.6	12.2	12.8	11.9
Mining	12,013	19,166	2	2	3	3	33.9	59.3	59.5	34.4
Construction	56,564	68,593	158	148	196	194	20.1	23.8	21.3	31.2
Manufacturing	285,735	325,636	1,384	1,398	1,573	1,611	13.3	13.7	14.0	15.2
Durable goods	182,321	211,944	954	962	1,095	1,132	15.2	14.7	16.2	17.7
Nondurable goods	103,414	113,692	429	437	479	479	10.0	11.5	9.9	9.7
Private service type	473,132	532,823	1,701	1,744	1,889	1,915	13.1	11.0	12.6	9.8
Transportation, communication, and public utilities	79,598	88,755	182	191	201	205	11.3	10.4	11.5	7.4
Wholesale and retail trade	177,331	201,608	629	637	699	709	14.1	11.2	13.7	11.2
Finance, insurance, and real estate	55,930	63,373	215	226	243	246	13.2	12.9	13.3	8.8
Services	160,273	179,087	675	691	746	756	12.7	10.5	11.7	9.5
Government	204,558	218,008	795	802	869	859	6.9	9.3	6.6	7.1
Federal	68,698	73,916	224	218	251	240	7.1	12.1	7.6	10.2
State and local	135,860	144,092	571	584	618	619	6.8	8.2	6.1	6.0
Other	3,499	3,950	14	16	17	18	14.6	14.8	12.9	13.1

1 Detail may not add to totals because of rounding
2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Rhode Island¹

	United States		Rhode Island				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Boston	---	---	185.3	187.7	199.2	202.5	---	7.5	---	7.9

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available
2. Average for 85 representative urban areas based on the 1970 Census of Population
Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Rhode Island's civilian labor force increased 2.2 percent, 1.0 percentage point less than in the Nation (table 4). Among all States, Rhode Island's increase was the 10th smallest; among the New England States, the increase was the smallest. Total employment increased 2.6 percent, 1.2 percentage points less than in the Nation, to 398,000. Rhode Island's increase was exceeded in all but 12 States; among the New England States, Rhode Island's increase was the smallest.

With both the labor force and employment increasing about 10,000, the

number of unemployed was little changed, at about 35,000. Rhode Island's unemployment rate declined 0.4 percentage point, to 7.8 percent in 1979:I, compared with 6.3 percent nationally. Among all States, seven had higher unemployment rates than Rhode Island; among the New England States, Rhode Island's rate was the highest.

In March 1979, the preliminary unemployment rate in the State was 7.9 percent, down slightly from the year-ago rate. The rate in Providence-Warwick-Pawtucket in February 1979, the most recent month for which data are available, was 7.9 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Rhode Island

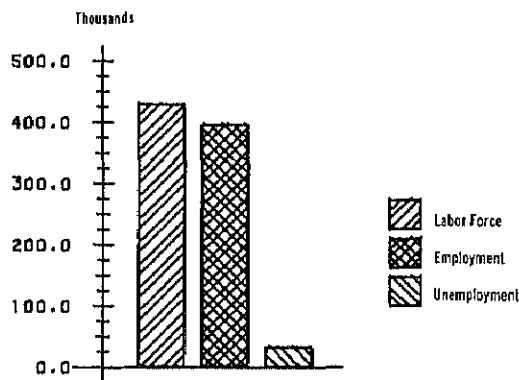


Chart 6.—Unemployment Rates, 1978:I—1979:I

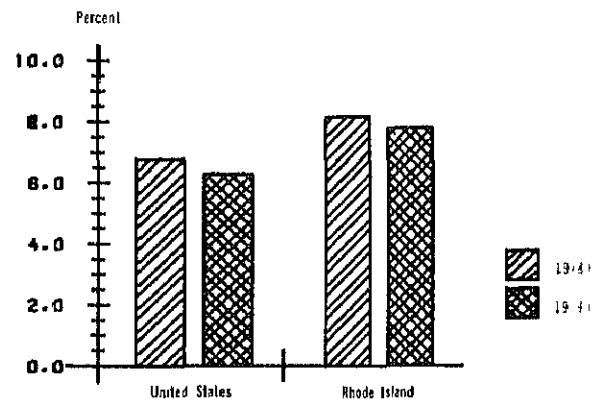


TABLE 4.—Labor Force, United States and Rhode Island

	United States		Rhode Island				U.S.	State	U.S.	
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV—1978:IV		1978:I—1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	394	377	409	391	4.2	4.0	2.9	4.3
Mining and services	16,488	17,045	74	71	77	75	4.9	5.0	3.4	4.4
Construction	3,784	3,973	14	10	16	12	11.2	15.4	5.0	4.7
Manufacturing	20,064	20,652	134	129	139	134	3.6	4.0	2.9	4.1
Transportation, communication, and public utilities	4,779	4,943	13	13	14	13	4.4	2.3	3.4	4.0
Wholesale and retail trade	18,937	19,549	81	76	83	77	4.5	2.2	3.2	3.7
Finance, insurance, and real estate	4,601	4,790	19	19	20	20	5.2	4.7	4.1	4.6
Government	15,435	15,648	59	60	61	60	1.4	2.5	1.4	2.9
Civilian labor force ³	98,106	101,260	444	423	439	432	3.1	-1.3	3.2	2.2
Total employed	91,401	94,901	412	388	414	398	3.9	.3	3.8	2.1
Total unemployed	6,705	6,360	32	35	25	34	-8.8	-21.7	-5.1	-1.9
Percent unemployed	6.8	6.3	7.2	8.2	5.7	7.8				

1 Detail may not add to totals because of rounding.

2 Based on unrounded data.

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

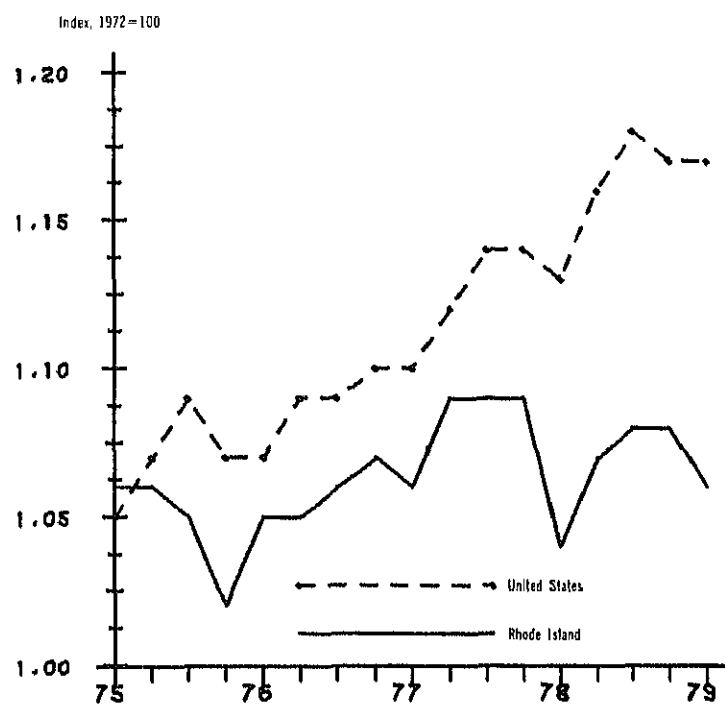


Chart 8.—Civilian Employment

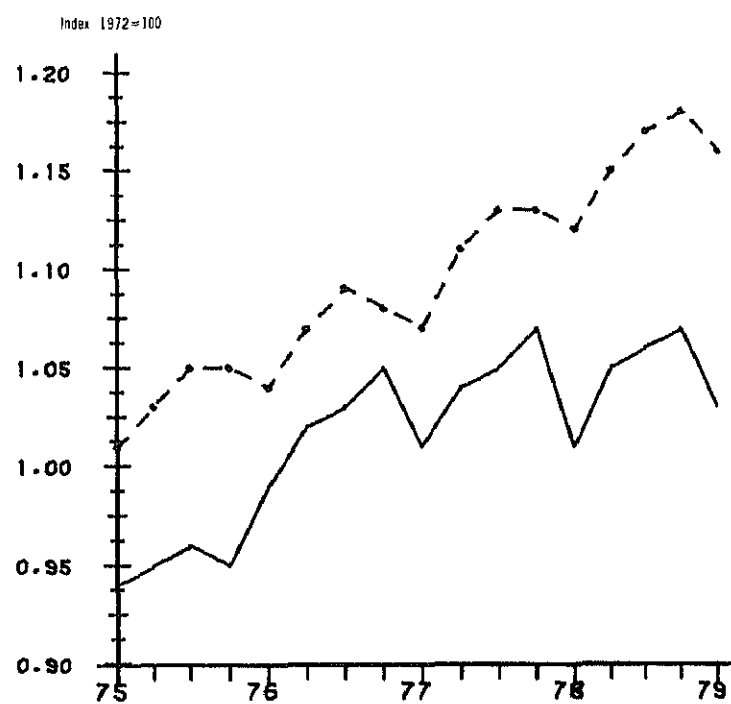


Chart 9.—Unemployment Rate

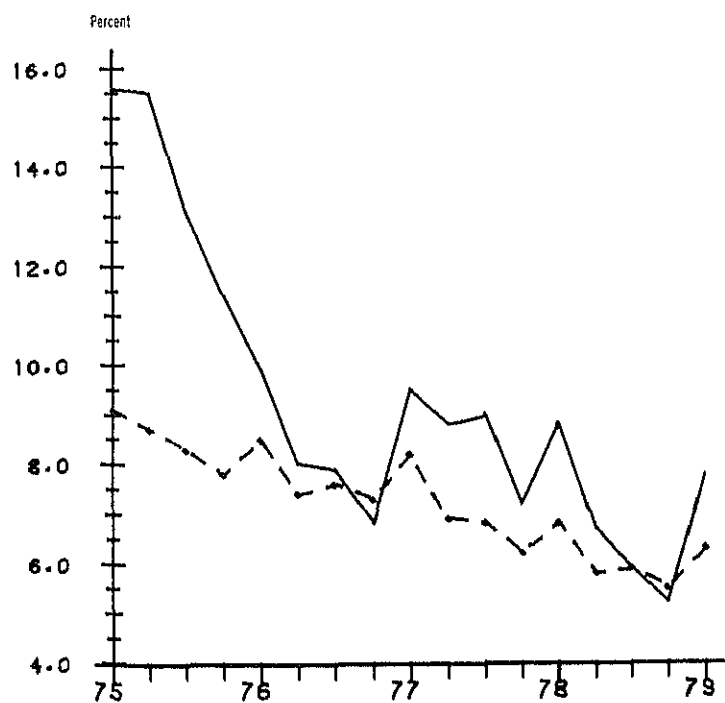
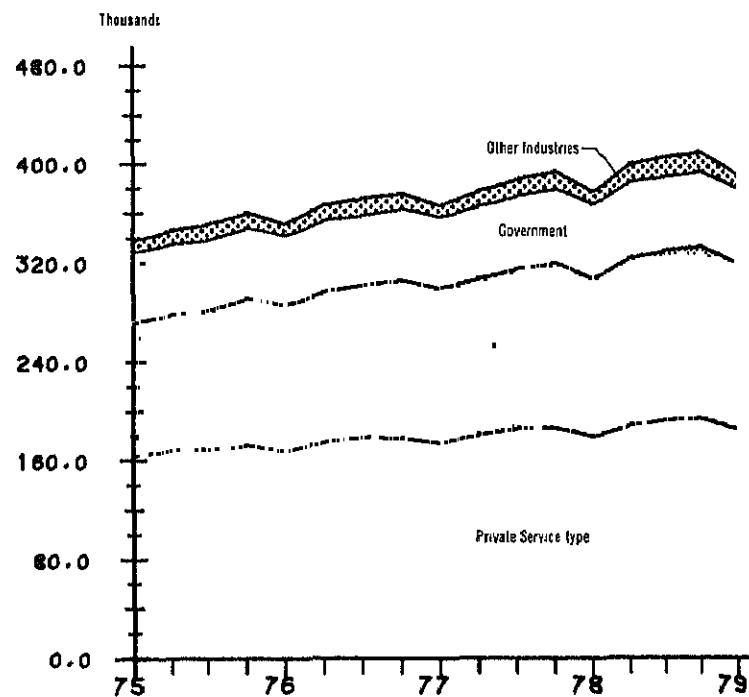


Chart 10.—Industrial Composition of Nonagricultural Employment: Rhode Island



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Rhode Island¹

	United States		Rhode Island				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	2,936	2,967	3,337	n.a.	15.6	13.6	---	---
Commercial and industrial	202,241	n.a.	882	896	1,058	n.a.	13.3	19.9	---	---
Loans to individuals	143,356	n.a.	420	414	482	n.a.	18.7	14.8	---	---
Real estate	183,599	n.a.	1,469	1,481	1,606	n.a.	19.6	9.3	---	---
Residential	104,830	n.a.	903	903	951	n.a.	22.1	5.3	---	---
Farms	7,919	n.a.	1	1	1	n.a.	9.6	4.1	---	---
Other	70,851	n.a.	565	577	654	n.a.	17.0	15.7	---	---
Farms, excluding real estate	25,440	n.a.	0	0	0	n.a.	9.5	-69.6	---	---
Other	64,581	n.a.	165	176	191	n.a.	7.9	15.9	---	---
Total deposits	911,772	n.a.	3,772	3,746	4,212	n.a.	9.3	11.7	---	---
Demand	344,245	n.a.	991	902	1,057	n.a.	5.6	6.6	---	---
Time and savings	567,527	n.a.	2,780	2,844	3,155	n.a.	11.9	13.5	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in Rhode Island increased 13.6 percent from 1977:IV to 1978:IV versus a 15.6-percent increase in the Nation (table 5). In 1978:IV, Rhode Island's loans totaled \$3.3 billion, for an increase of \$0.4 billion since 1977:IV. The State's lag was particularly pronounced in real estate loans, which increased 9.3 percent, more than 10 percentage points less than in the Nation. Among all States, only two had smaller increases. Loans to individuals increased 14.8 percent versus 18.7 percent in the Nation. In contrast, commercial and industrial loans increased 19.9 percent in the State versus 13.3 percent in

the Nation; among all States, Rhode Island's increase ranked eighth.

Total deposits increased 11.7 percent in Rhode Island from 1977:IV to 1978:IV, 2.4 percentage points more than in the Nation. Rhode Island's increase ranked 12th among all State increases. In 1978:IV, Rhode Island's deposits totaled \$4.2 billion, for an increase of \$0.4 billion since 1977:IV. State increases exceeded national increases in both time and savings and demand deposits. Time and savings deposits increased 13.5 percent in the State versus 11.9 percent in the Nation; Rhode Island's increase ranked 13th. Demand deposits increased 6.6 percent in Rhode Island versus 5.6 percent in the Nation.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 80.0 percent in Rhode Island versus 19.8 percent in the Nation (table 6). Rhode Island's increase ranked fifth among all States and was the largest in New England. In 1979:I, contracts in the State totaled \$123 million, for an increase over the year of \$55 million. About one-third of Rhode Island's increase was traceable to an \$18 million contract for a shipbuilding and repair plant in Washington County. If this contract is excluded, the total valuation in the State would have increased 53 percent.

Nationally, construction costs increased about 14 percent; if this national increase is representative of cost changes in Rhode Island, the real valuation of construction contracts would have increased about 66 percent (including the shipbuilding and repair plant contract) versus about 6 percent nationally.

The new residential housekeeping market was strong in Rhode Island, as it was in most Northeast States. Both the valuation of residential housekeeping contracts and the number of dwelling units started recovered sharply from the unusually low levels in 1978:I, when the weather in the Northeast was even more severe than in 1979:I. The valuation of residential housekeeping contracts increased 28.0 percent in Rhode Island versus 11.8 percent in the Nation. Among all States,

Rhode Island's increase ranked 17th, increases in nearly all other New England States were larger. The number of dwelling units started in Rhode Island increased 25.7 percent, or 156 units, to 762. The increase in the Nation was only 2.6 percent. Among all States, Rhode Island's increase ranked 11th. In contrast, the valuation of contracts for additions and alterations to residential housekeeping units increased only 7.8 percent in Rhode Island versus 17.9 percent in the Nation. Among all States, Rhode Island's increase ranked 43rd.

The valuation of nonresidential contracts increased 414.9 percent (\$38 million) in Rhode Island versus 28.0 percent in the Nation. Although nonresidential contracts accounted for less than two-fifths of the total valuation of contracts in Rhode Island in 1979:I, the nonresidential increase accounted for nearly seven-tenths of the total increase. Among all States, Rhode Island's increase was the largest. Much of the strength was traceable to the above-mentioned contract for the shipbuilding and repair plant. Excluding the plant, the valuation of nonresidential contracts still would have increased more than 200 percent.

The valuation of nonbuilding contracts increased 36.3 percent in Rhode Island versus 23.7 percent in the Nation. The valuation of contracts for streets and highways—a component of nonbuilding—increased 29.7 percent in Rhode Island and 61.2 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

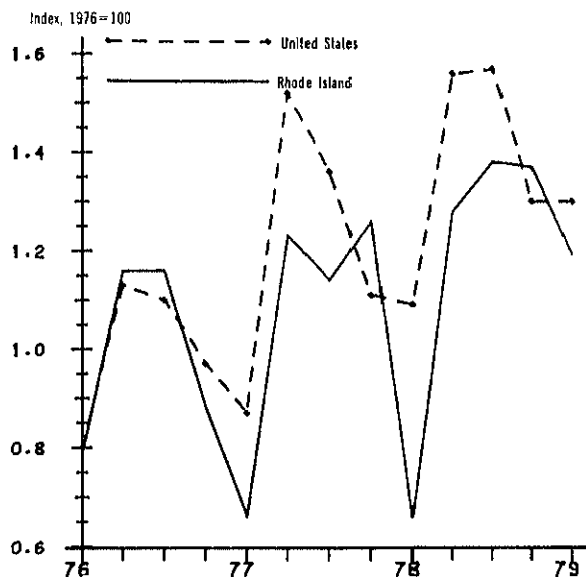


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Rhode Island

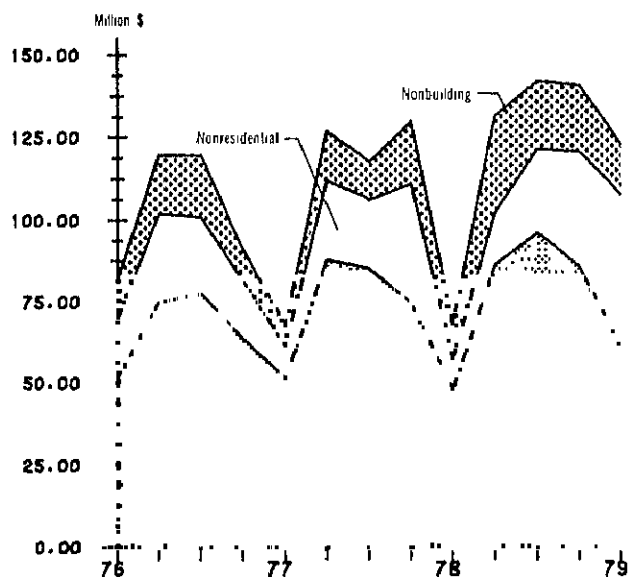


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

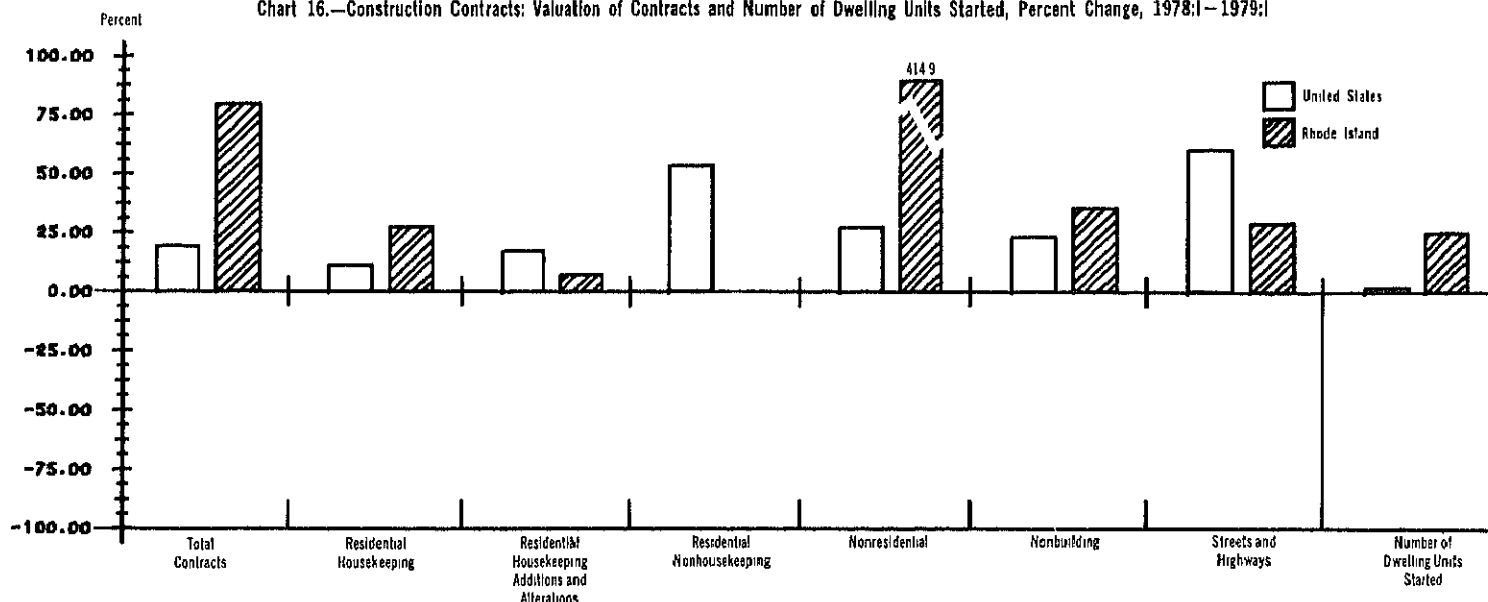


TABLE 6.—Construction Contracts, United States and Rhode Island¹

	United States		Rhode Island				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ¹			
Total valuation of contracts	38,107,230	45,638,147	129,856	68,091	140,651	122,542	16.8	8.3	19.8	80.0
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	34,725	27,610	34,793	29,765	14.6	2	17.9	7.8
All other contracts										
Number of contracts	53,028	53,454	194	84	183	135	-9.3	-5.7	8	60.7
Valuation (thousands of dollars)	32,202,931	38,675,376	95,131	40,481	105,858	92,777	17.3	11.3	20.1	129.2
Floor area (thousands of square feet)	807,538	904,811	2,450	826	2,403	2,151	10.3	-1.9	12.0	160.3
Residential housekeeping										
Number of contracts	13,592	14,399	39	21	35	25	-4.3	-10.3	5.9	19.0
Number of dwelling units	404,171	414,826	1,394	606	1,420	762	-2	1.9	2.6	25.7
Valuation (thousands of dollars)	13,806,696	15,431,523	39,704	20,383	50,623	26,094	15.6	27.5	11.8	28.0
Floor area (thousands of square feet)	546,445	571,860	1,420	709	1,715	869	10.7	20.8	4.7	22.6
Residential nonhousekeeping										
Number of contracts	441	464	1	0	1	1	-4	0	5.2	----
Valuation (thousands of dollars)	327,201	504,158	7	0	39	5,000	54.9	457.1	54.1	----
Floor area (thousands of square feet)	8,179	11,483	0	0	0	128	34.7	----	40.4	----
Nonresidential										
Number of contracts	25,282	23,514	79	38	88	59	-12.0	11.4	-7.0	55.3
Valuation (thousands of dollars)	9,056,146	11,595,243	36,555	9,056	34,979	46,631	16.3	-4.3	28.0	414.9
Floor area (thousands of square feet)	252,915	321,468	1,030	118	688	1,153	8.7	-33.2	27.1	879.1
Nonbuilding										
Number of contracts	13,713	15,077	75	25	59	50	-9.1	-21.3	9.9	100.0
Valuation (thousands of dollars)	9,012,888	11,144,452	18,865	11,042	20,217	15,052	20.6	7.2	23.7	36.3
Streets and Highways										
Number of contracts	3,989	4,750	18	7	10	8	-17.8	-44.4	19.1	14.3
Valuation (thousands of dollars)	1,399,453	2,255,221	5,970	1,333	3,354	1,729	-18.1	-43.8	61.2	29.1

1 Contracts started or expected to start within 60 days
2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Rhode Island are not available.

TABLE 7.—Retail Sales, United States and Rhode Island

	United States		Rhode Island				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978.IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n a	n a	n.a	n a	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n a	n a	n a	n a	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census.

TABLE 8.—Business Incorporations and Failures, United States and Rhode Island

	United States		Rhode Island				U.S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978 IV	1979.I	1977:IV— 1978:IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	474	506	551	n.a.	13.2	16.2	---	---
Total number of business failures	1,729	n.a.	13	9	14	n.a.	-4.9	7.7	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	2,924	1,809	761	n.a.	13.7	-74.0	---	---
Average liability per failure (thousands of dollars)	404	n.a.	225	201	54	n.a.	19.4	-76.0	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	3	1	2	n.a.	6.0	-33.3	---	---
Construction	279	n.a.	3	1	3	n.a.	-8.2	.0	---	---
Wholesale trade	205	n.a.	1	2	2	n.a.	-6.3	100.0	---	---
Retail trade	769	n.a.	5	5	6	n.a.	-4	20.0	---	---
Commercial services	205	n.a.	1	0	1	n.a.	-23.5	0	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 12.0% vs. 12.6% in U.S., to \$19.6 billion —Payrolls up 3.3% in Federal Government vs. 7.6% in U.S. and 7.6% in construction vs. 21.3% in U.S.
Consumer prices	—Up 7.7% in Atlanta vs. 9.9% in U.S.
Employment	—Up 1.4% vs. 3.8% in U.S., to 1.2 million
Unemployment	—Down 6,000, to 72,000 —Rate down to 5.6% of labor force vs. 6.3% U.S. rate
Construction	—Total valuation of contracts up 59.3% vs. 19.8% in U.S. —Valuation of nonbuilding contracts up 184.5% vs. 23.7% in U.S. —Number of dwelling-unit starts up 11.4% vs. 2.6% in U.S.

TABLE 1.—Summary of Economic Indicators, United States and South Carolina

	United States		South Carolina				U S	State	U S	State
	1978:I	1979 I	1977:IV	1978 I	1978 IV	1979:I	1977 IV— 1978 IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	16,924	17,489	18,987	19,580	12.6	12.2	12.6	12.0
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	11,293	11,695	12,529	12,989	12.6	10.9	12.8	11.1
Civilian employment (thousands)	91,401	94,901	1,204	1,187	1,232	1,203	3.9	2.4	3.8	1.4
Unemployment (thousands)	6,705	6,360	84	78	68	72	-8.8	-18.4	-5.1	-7.4
Percent unemployed (unemployment/labor force)	6.8	6.3	6.5	6.1	5.3	5.6	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	3,119	3,221	3,507	n.a.	15.6	12.4	---	---
Total deposits (millions of dollars)	911,772	n.a.	4,967	4,919	5,278	n.a.	9.3	6.3	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	479,214	481,535	578,788	767,217	16.8	20.8	19.8	59.3
Dwelling units started (number)	404,171	414,826	6,401	6,357	8,257	7,082	-2	29.0	2.6	11.4
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	885	1,039	765	n.a.	13.2	-13.6	---	---
Business failures (number)	1,729	n.a.	0	2	2	n.a.	-4.9	---	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Atlanta	---	---	184.5	188.2	198.8	202.7	---	7.8	---	7.7

n.a. Data not available

Source: See tables 2 through 8

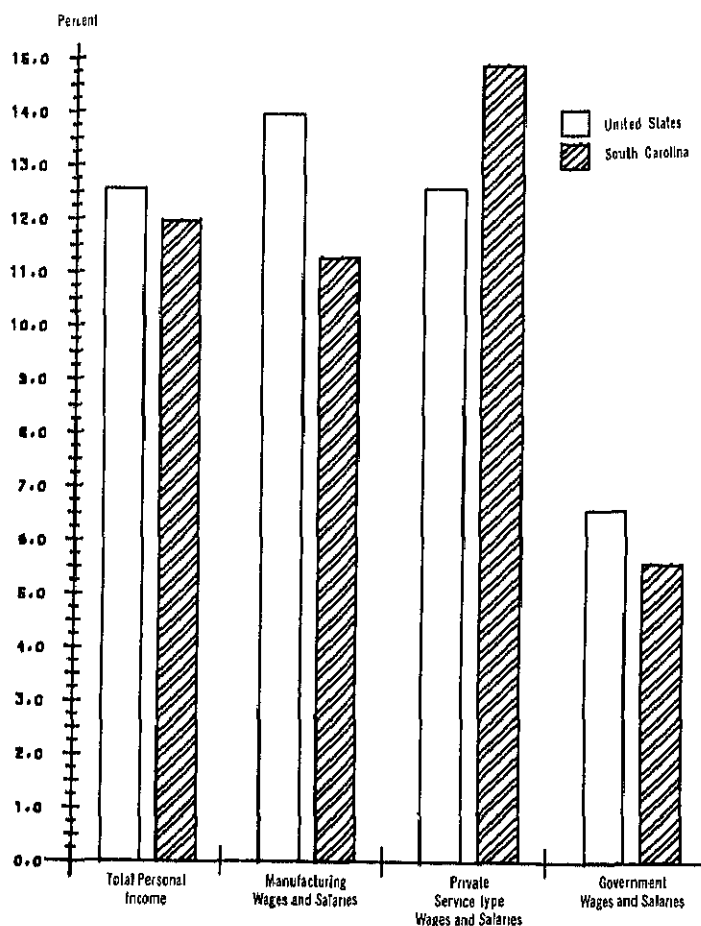
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in South Carolina increased 12.0 percent from 1978:I to 1979:I versus 12.6 percent nationally (table 2). In 1979:I, the State's personal income totaled \$19.6 billion, up \$2.1 billion since 1978:I.

From 1978:I to 1979:I, the Consumer Price Index for the Atlanta metropolitan area increased 7.7 percent versus a national city average increase of 9.9 percent (table 3). If Atlanta's increase is used as an indicator for price movements in the State, real total personal income in South Carolina increased 4.3 percent from year to year versus 2.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 11.1 percent in the State versus 12.8 percent nationally. South Carolina's increase was one of the smallest in the Nation. In 1979:I, payrolls totaled \$13.0 billion in the State, up \$1.3 billion since 1978:I.

Federal Government payrolls increased only 3.3 percent from year to year versus 7.6 percent nationally. South Carolina's increase ranked 49th in the Nation. State and local government payrolls, in contrast, increased 7.5 percent from year to year, compared with a 6.1-percent national increase.

Construction payrolls increased 7.6 percent in the State versus 21.3 percent nationally. The State's increase ranked 49th in the Nation.

Total manufacturing payrolls increased 11.3 percent, one of the smallest increases among all States, compared with a national increase of 14.0 percent. Durable goods manufacturing payrolls increased 14.4 percent, 1.8 percentage points less than nationally, and nondurable goods payrolls increased 10.0 percent, about the same as nationally.

All private service-type industries in the State registered above-national-average payroll increases. Transportation-communication-public utilities payrolls increased 16.3 percent from year to year, 4.8 percentage points more than nationally. Similarly, finance-insurance-real estate payrolls increased 15.8 percent versus 13.3 percent nationally, and services payrolls increased 13.7 percent versus 11.7 percent nationally. Trade payrolls increased 15.1 percent in the State and 13.7 percent nationally.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

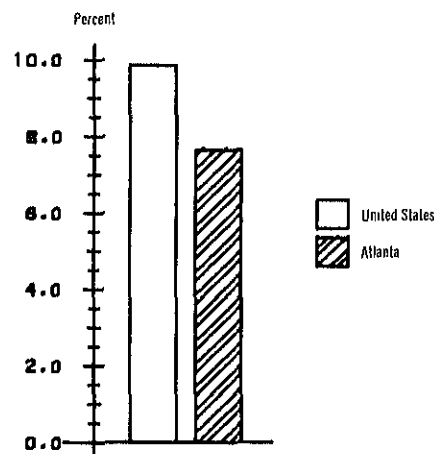


Chart 3.—Total Personal Income
[Seasonally adjusted]

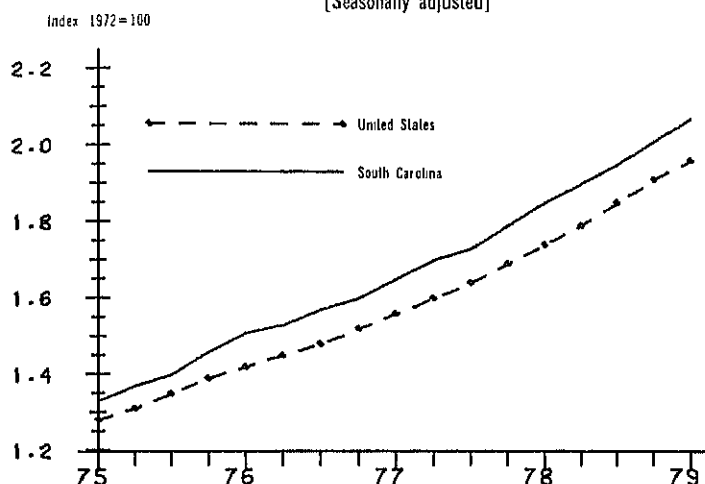


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

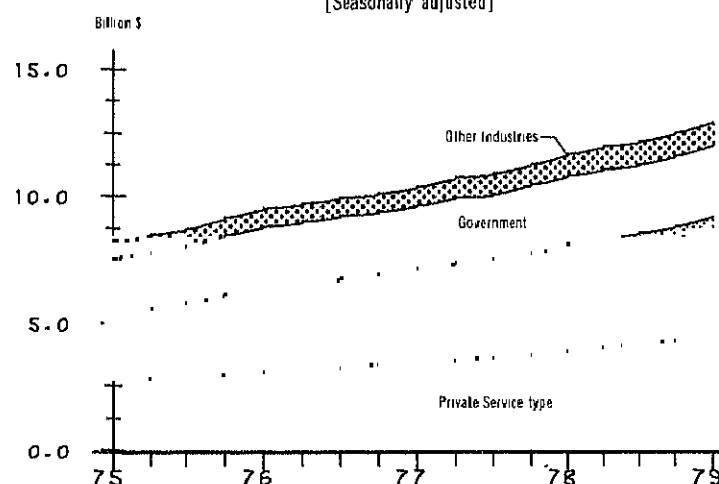


TABLE 2.—Personal Income, United States and South Carolina

	United States		South Carolina				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978:I	1978 IV	1979 I	1977 IV— 1978 IV		1978:I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	16,924	17,489	18,987	19,580	12.6	12.2	12.6	12.0
Farm personal income	32,083	40,141	228	276	400	438	26.3	75.3	25.1	58.6
Nonfarm personal income	1,592,582	1,789,374	16,696	17,213	18,587	19,143	12.3	11.3	12.4	11.2
Total personal income	1,624,665	1,829,515	16,924	17,489	18,987	19,580	12.6	12.2	12.6	12.0
Wage and salary disbursements	1,042,716	1,176,598	11,293	11,695	12,529	12,989	12.6	10.9	12.8	11.1
Other labor income	99,957	115,833	943	1,000	1,094	1,141	16.4	16.1	15.9	14.1
Proprietors' income	108,808	126,535	988	1,063	1,265	1,303	18.9	28.1	16.3	22.5
Farm	24,448	31,221	146	193	310	343	31.3	112.8	27.7	77.3
Nonfarm	84,360	95,314	842	870	955	960	15.3	13.4	13.0	10.4
Dividends, interest, and rent	221,191	250,595	1,854	1,915	2,105	2,184	12.8	13.5	13.3	14.0
Transfer payments	219,202	238,794	2,329	2,356	2,554	2,601	8.2	9.7	8.9	10.4
State unemployment insurance benefits	9,997	8,023	86	59	58	46	-30.3	-33.1	-19.7	-22.9
Less personal contributions	66,792	78,351	694	758	794	876	15.1	14.4	17.3	15.5
Plus residence adjustment	-417	-489	212	218	234	239	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	11,293	11,695	12,529	12,989	12.6	10.9	12.8	11.1
Farm	7,215	8,422	81	81	88	93	10.6	9.0	16.7	15.0
Nonfarm	1,035,501	1,168,176	11,213	11,614	12,441	12,896	12.6	11.0	12.8	11.0
Mining	12,013	19,166	20	19	25	25	33.9	22.7	59.5	31.2
Construction	56,564	68,593	668	703	735	756	20.1	10.1	21.3	7.6
Manufacturing	285,735	325,636	3,999	4,221	4,476	4,698	13.3	11.9	14.0	11.3
Durable goods	182,321	211,944	1,186	1,246	1,403	1,425	15.2	18.3	16.2	14.4
Nondurable goods	103,414	113,692	2,814	2,975	3,073	3,273	10.0	9.2	9.9	10.0
Private service type	473,132	532,823	3,784	3,956	4,367	4,547	13.1	15.4	12.6	14.9
Transportation, communication, and public utilities	79,598	88,755	621	657	729	763	11.3	17.5	11.5	16.3
Wholesale and retail trade	177,331	201,608	1,556	1,629	1,795	1,875	14.1	15.4	13.7	15.1
Finance, insurance, and real estate	55,930	63,373	426	431	486	499	13.2	13.9	13.3	15.8
Services	160,273	179,087	1,181	1,239	1,357	1,410	12.7	14.9	11.7	13.7
Government	204,558	218,008	2,704	2,674	2,795	2,824	6.9	3.4	6.6	5.6
Federal	68,698	73,916	1,302	1,239	1,285	1,280	7.1	-1.3	7.6	3.3
State and local	135,860	144,092	1,402	1,436	1,511	1,544	6.8	7.8	6.1	7.5
Other	3,499	3,950	38	41	43	46	14.6	14.5	12.9	12.8

1 Detail may not add to totals because of rounding.

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and South Carolina¹

	United States		South Carolina				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Atlanta	---	---	184.5	188.2	198.8	202.7	---	7.8	---	7.7

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2. Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time

Labor Force

From 1978:I to 1979:I, South Carolina's civilian labor force increased 0.8 percent versus 3.2 percent nationally (table 4). The State's increase was one of the smallest in the Nation. Total employment increased 1.4 percent (to 1.2 million), compared with a 3.8-percent increase nationally. South Carolina's increase in employment was the smallest in the Southeast region; Florida's increase, 5.4 percent, was the largest in the

region.

With employment increasing by 16,000 and the labor force increasing by 10,000, the number of unemployed declined by 6,000, to 72,000. South Carolina's unemployment rate declined moderately, to 5.6 percent of the labor force in 1979:I versus a national rate of 6.3 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: South Carolina

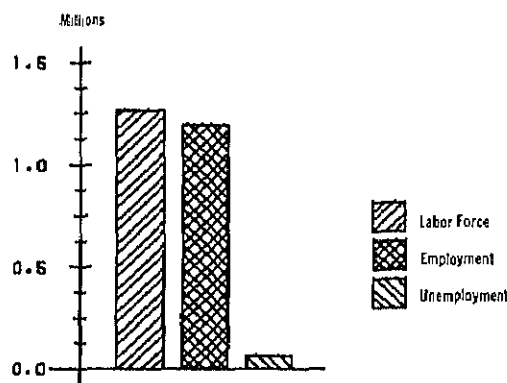


Chart 6.—Unemployment Rates, 1978:I—1979:I

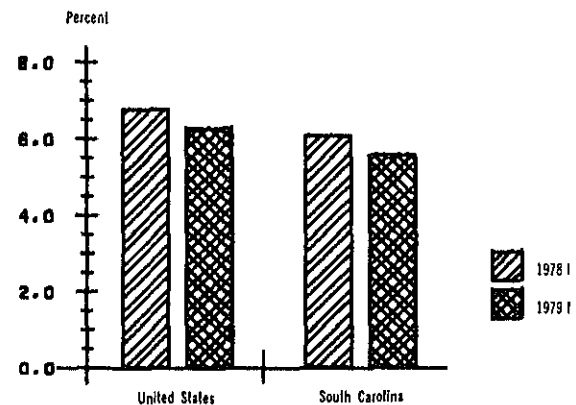


TABLE 4.—Labor Force, United States and South Carolina

	United States		South Carolina				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,106	1,106	1,152	1,145	4.2	4.1	2.9	3.5
Mining	730	896	2	2	2	2	14.4	5.6	22.7	5.6
Construction	3,784	3,973	68	66	68	64	11.2	-7	5.0	-2.6
Manufacturing	20,064	20,652	385	386	395	392	3.6	2.4	2.9	1.6
Transportation, communication, and public utilities	4,779	4,943	46	47	51	51	4.4	11.2	3.4	9.2
Wholesale and retail trade	18,937	19,549	207	202	218	214	4.5	5.3	3.2	5.9
Finance, insurance, and real estate	4,601	4,790	42	42	44	45	5.2	5.5	4.1	5.4
Services	15,758	16,149	134	138	146	149	4.4	8.5	2.5	7.8
Government	15,435	15,648	222	224	229	230	1.4	3.0	1.4	2.5
Civilian labor force ³	98,106	101,260	1,287	1,265	1,300	1,275	3.1	1.0	3.2	8
Total employed	91,401	94,901	1,204	1,187	1,232	1,203	3.9	2.4	3.8	1.4
Total unemployed	6,705	6,360	84	78	68	72	-8.8	-18.4	-5.1	-7.4
Percent unemployed	6.8	6.3	6.5	6.1	5.3	5.6	---	---	---	---

1. Detail may not add to totals because of rounding

2. Based on unrounded data

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

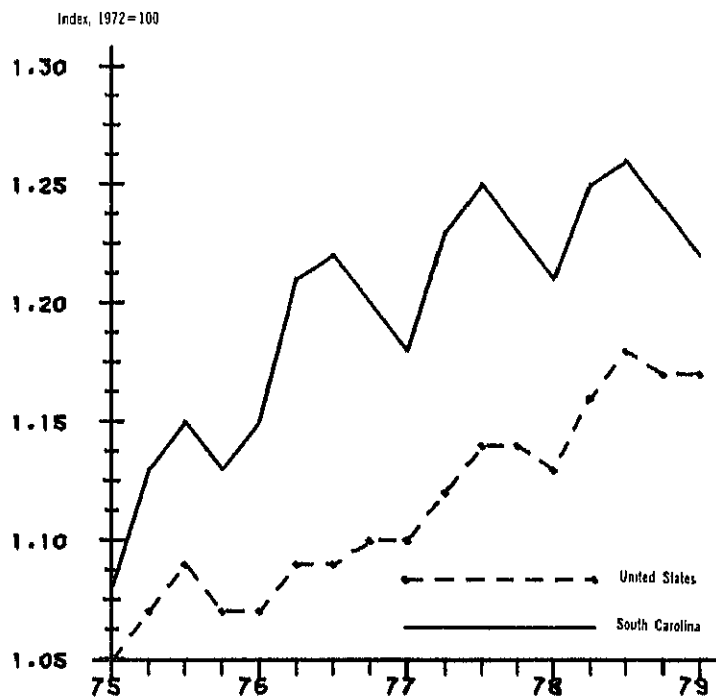


Chart 8.—Civilian Employment

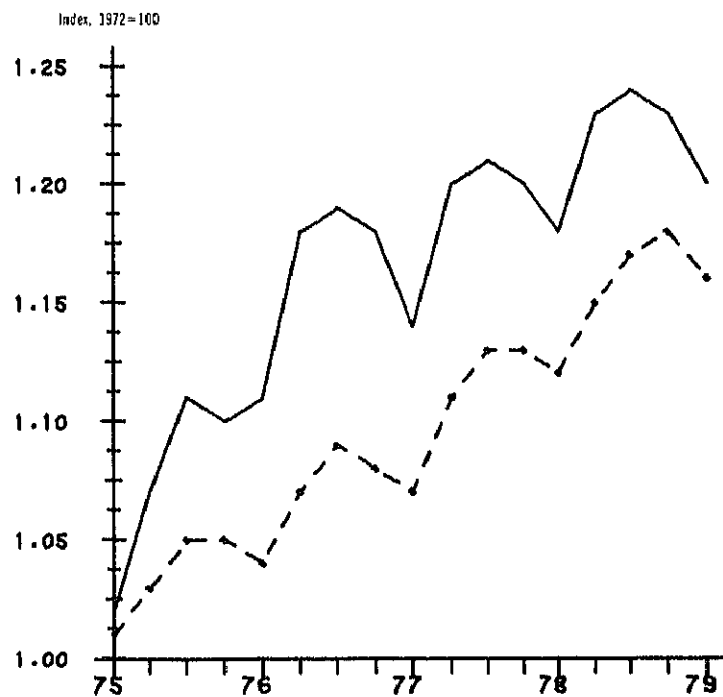


Chart 9.—Unemployment Rate

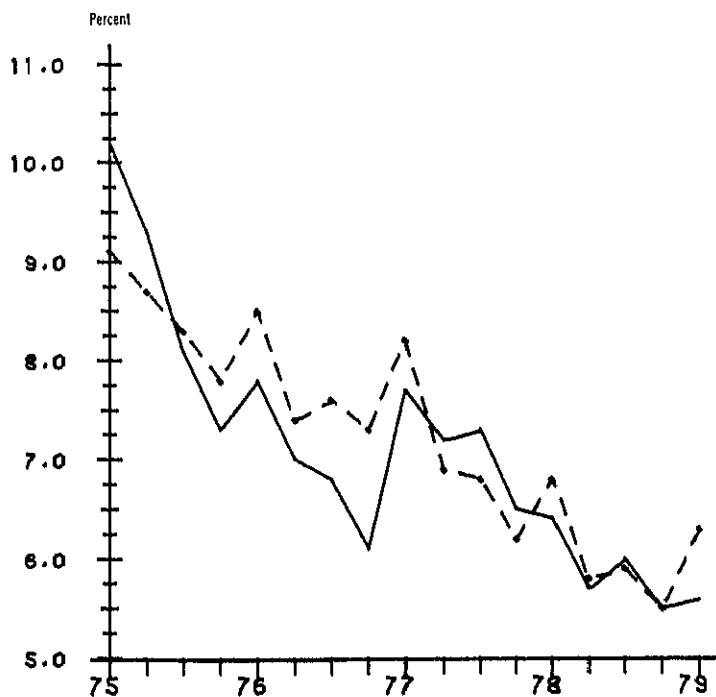
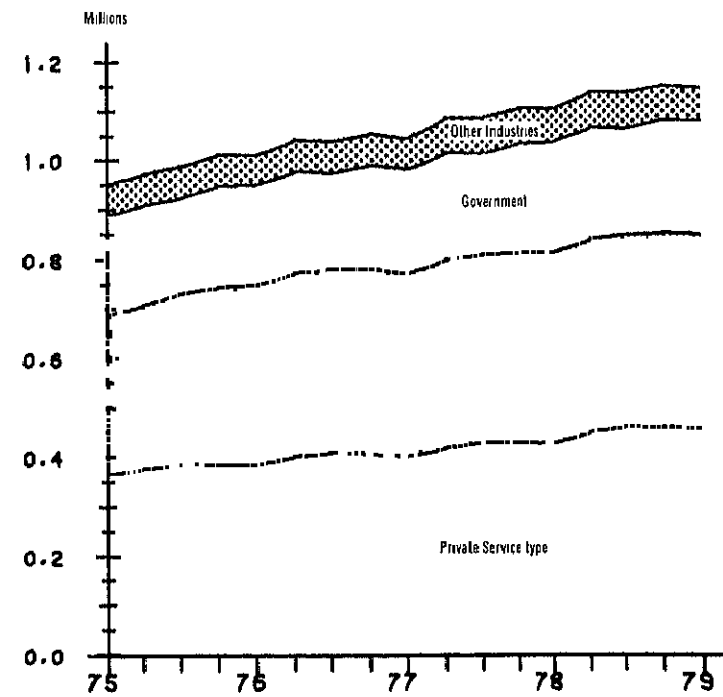


Chart 10.—Industrial Composition of Nonagricultural Employment: South Carolina



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and South Carolina

	United States		South Carolina				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978.IV	1979 I	1977 IV— 1978 IV	1978.I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	3,119	3,221	3,507	n.a.	15.6	12.4	---	---
Commercial and industrial	202,241	n.a.	841	874	872	n.a.	13.3	3.6	---	---
Loans to individuals	143,356	n.a.	1,359	1,394	1,588	n.a.	18.7	16.8	---	---
Real estate	183,599	n.a.	740	780	880	n.a.	19.6	19.0	---	---
Residential	104,830	n.a.	292	301	347	n.a.	22.1	19.0	---	---
Farms	7,919	n.a.	47	49	48	n.a.	9.6	1.8	---	---
Other	70,851	n.a.	401	431	485	n.a.	17.0	21.0	---	---
Farms, excluding real estate	25,440	n.a.	73	75	72	n.a.	9.5	-1.4	---	---
Other	64,581	n.a.	106	97	95	n.a.	7.9	-10.4	---	---
Total deposits	911,772	n.a.	4,967	4,919	5,278	n.a.	9.3	6.3	---	---
Demand	344,245	n.a.	2,680	2,545	2,791	n.a.	5.6	4.2	---	---
Time and savings	567,527	n.a.	2,287	2,374	2,486	n.a.	11.9	8.7	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 12.4 percent (\$388 million) in South Carolina from 1977:IV to 1978:IV, 3.2 percentage points less than nationally (table 5). In 1978:IV, bank loans totaled \$3.5 billion in the State. The year-to-year increase in commercial and industrial loans in the State was 3.6 percent, the smallest increase among all States and considerably less than one-third of the national increase. Loans to individuals increased 16.8

percent versus 18.7 percent nationally, and real estate loans increased 19.0 percent versus 19.6 percent nationally.

Total deposits increased 6.3 percent (\$311 million) from 1977:IV to 1978:IV, one of the smallest increases in the Nation and 3.0 percentage points less than nationally. In 1978:IV, bank deposits totaled \$5.3 billion in the State. Time and savings deposits increased 8.7 percent from year to year, 3.2 percentage points less than nationally, and demand deposits increased 4.2 percent, 1.4 percentage points less than nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 59.3 percent (\$285.7 million), to \$767.2 million, compared with a 19.8-percent national increase (table 6). South Carolina's increase was one of the largest in the Nation. In 1979 I, a \$135.0 million contract for the construction of an electric generating plant in Georgetown County and a \$24.8 million contract for the construction of a shopping center in Greenville County raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. If both contracts are excluded, the total valuation of contracts in South Carolina would have increased 26.1 percent from year to year. From 1978:I to 1979:I, national construction costs increased about 14 percent.

Primarily reflecting the Georgetown County contract, the valuation of nonbuilding contracts increased 184.5 percent (\$165.2 million), one of the largest percentage increases in the Nation, compared with a 23.7-

percent national increase. In contrast, the valuation of street and highway contracts, a major component of nonbuilding contracts, increased 30.8 percent (\$10.7 million), or one-half of the national rate of increase.

Partly reflecting the Greenville County contract, the valuation of nonresidential contracts increased 53.2 percent (\$57.9 million) in the State versus 28.0 percent nationally.

The increase in the valuation of residential housekeeping contracts was far larger in South Carolina, 20.2 percent (\$41.9 million), than in the Nation, 11.8 percent. Moreover, the number of dwelling units started increased 11.4 percent (725 units) in the State, to 7,082, compared with a national increase of only 2.6 percent. The valuation of contracts for additions and alterations to residential housekeeping units increased 30.5 percent (\$21.6 million) versus 17.9 percent nationally; South Carolina's increase was one of the largest in the Nation.

Chart 14.—Construction Contracts—Total Valuation

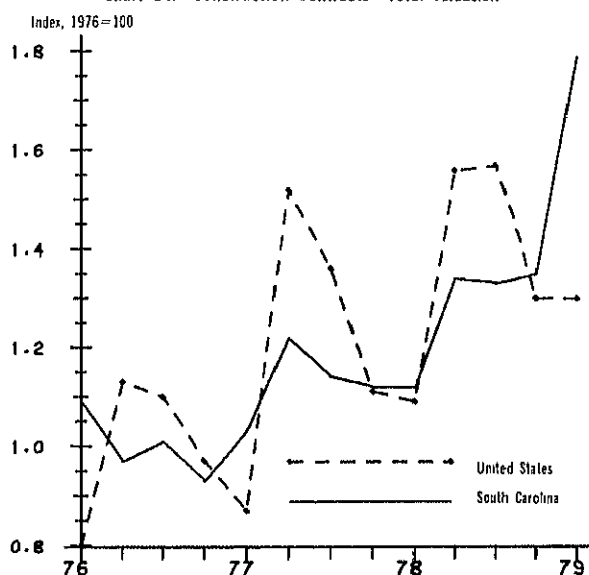


Chart 15.—Construction Contracts—Valuation of Contracts by Type: South Carolina

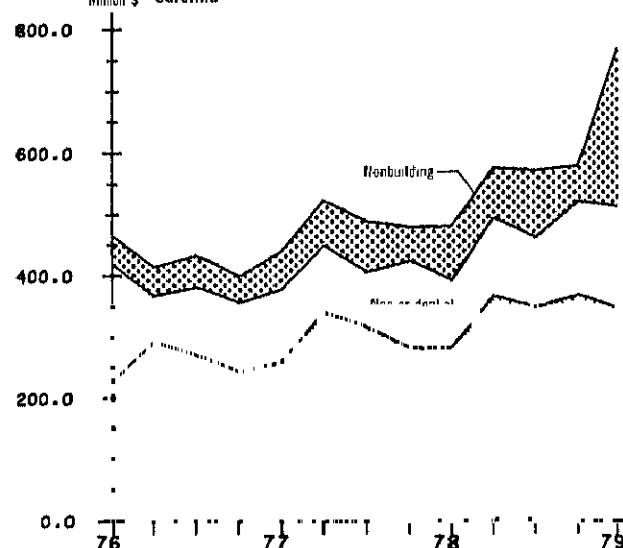


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

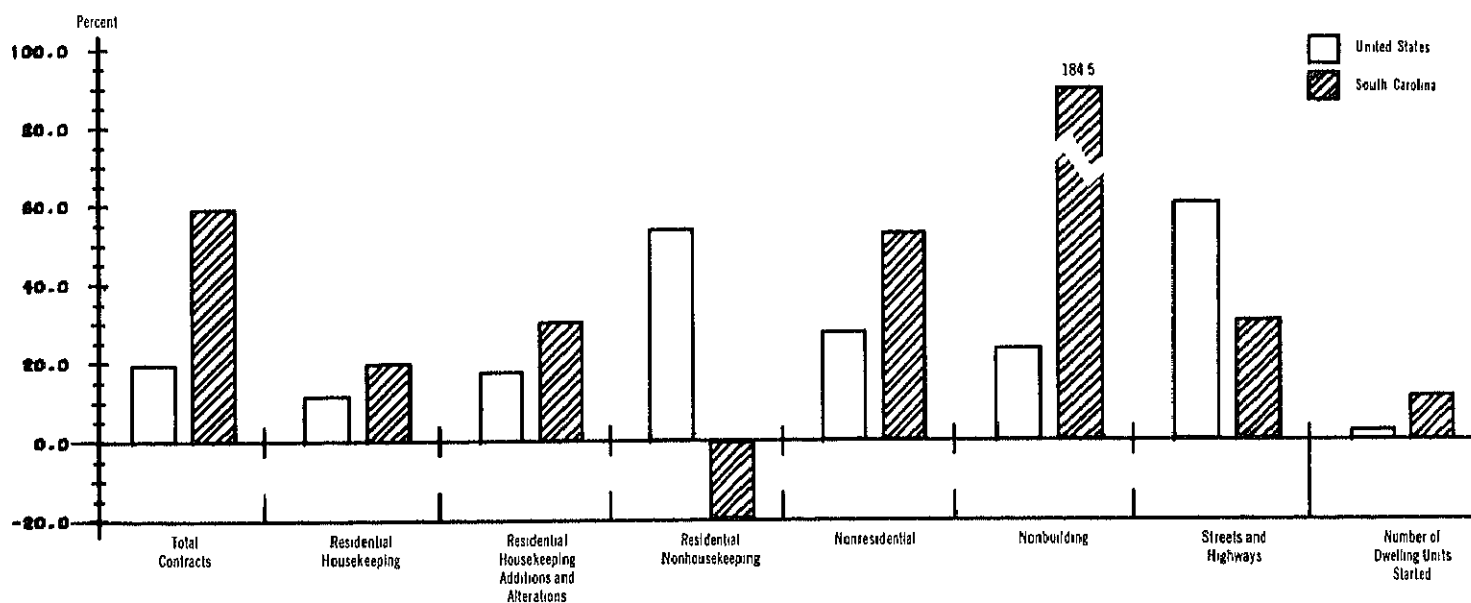


TABLE 6.—Construction Contracts, United States and South Carolina¹

	United States		South Carolina				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Not seasonally adjusted						Percent change ¹			
Total valuation of contracts	38,107,230	45,638,147	479,214	481,535	578,788	767,217	16 8	20 8	19.8	59.3
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	83,362	70,838	109,651	92,473	14 6	31 5	17 9	30 5
All other contracts										
Number of contracts	53,028	53,454	811	849	758	825	-9 3	-6 5	8	-2 8
Valuation (thousands of dollars)	32,202,931	38,675,376	395,852	410,697	469,137	674,744	17 3	18 5	20 1	64 3
Floor area (thousands of square feet)	807,538	904,811	14,306	14,427	17,870	17,390	10 3	24 9	12 0	20 5
Residential housekeeping										
Number of contracts	13,592	14,399	193	180	218	209	-4 3	13 0	5 9	16 1
Number of dwelling units	404,171	414,826	6,401	6,357	8,257	7,082	-2	29 0	2 6	11 4
Valuation (thousands of dollars)	13,806,696	15,431,523	192,558	207,568	256,965	249,426	15 6	33 4	11 8	20 2
Floor area (thousands of square feet)	546,445	571,860	9,732	10,574	12,765	11,615	10 7	31 2	4 7	9 8
Residential nonhousekeeping										
Number of contracts	441	464	16	15	9	9	-4	-43 7	5 2	-40 0
Valuation (thousands of dollars)	327,201	504,158	5,732	4,682	2,821	3,766	54 9	-50 8	54 1	-19 6
Floor area (thousands of square feet)	8,179	11,483	137	147	84	163	34 7	-38 6	40 4	10 8
Nonresidential										
Number of contracts	25,282	23,514	394	397	358	356	-12 0	-9 1	-7 0	-10 3
Valuation (thousands of dollars)	9,056,146	11,595,243	143,349	108,917	151,895	166,812	16 3	6 0	28 0	53 2
Floor area (thousands of square feet)	252,915	321,468	4,437	3,705	5,021	5,612	8 7	13 2	27 1	51 5
Nonbuilding										
Number of contracts	13,713	15,077	208	257	173	251	-9 1	-16 8	9 9	-2 3
Valuation (thousands of dollars)	9,012,888	11,144,452	54,213	89,530	57,456	254,740	20 6	6 0	23 7	184 5
Streets and Highways										
Number of contracts	3,989	4,750	45	94	56	106	-17 8	24 4	19 1	12 8
Valuation (thousands of dollars)	1,399,453	2,255,221	24,679	34,662	24,231	45,326	-18 1	-1 8	61 2	30 8

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source F W Dodge Division, McGraw Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for South Carolina are not available.

TABLE 7.—Retail Sales, United States and South Carolina

	United States		South Carolina				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted							Percent change		
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source U.S. Department of Commerce, Bureau of Census

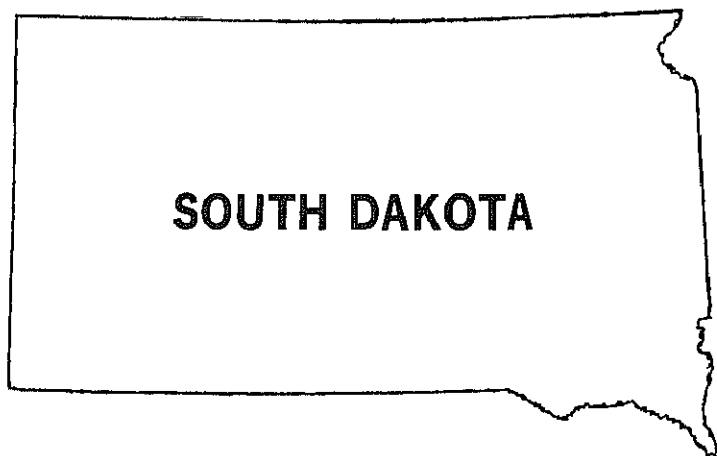
TABLE 8.—Business Incorporations and Failures, United States and South Carolina

	United States		South Carolina				U S.	State	U S.	State
	1978.I	1979 I	1977 IV	1978 I	1978 IV	1979.I	1977 IV— 1978.IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	885	1,039	765	n.a.	13.2	-13.6	---	---
Total number of business failures	1,729	n.a.	0	2	2	n.a.	-4.9	---	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	0	191	2,099	n.a.	13.7	---	---	---
Average liability per failure (thousands of dollars)	404	n.a.	0	96	1,050	n.a.	19.4	---	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	0	0	n.a.	6.0	---	---	---
Construction	279	n.a.	0	0	0	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	0	1	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	0	1	2	n.a.	-4	---	---	---
Commercial services	205	n.a.	0	0	0	n.a.	-23.5	---	---	---

n.a. Data not available

Source Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 9.1% vs. 12.6% in U.S., to \$5.0 billion
- Farm personal income down 1.1% vs. 25.1% increase in U.S.
- Payrolls up 5.5% in government vs. 6.6% in U.S.

Employment

- Up 5.8% vs. 3.8% in U.S., to 312,000

Unemployment

- Up 1,000, to 13,000
- Rate up to 4.0% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up 39.6% vs. 19.8% in U.S., to \$113.8 million
- Valuation of nonbuilding contracts up 260.5% vs. 23.7% in U.S.
- Number of dwelling-unit starts up 23.5% vs. 2.6% in U.S.

TABLE 1.—Summary of Economic Indicators, United States and South Dakota

	United States		South Dakota				U S	State	U S	State
	1978 I	1979:I	1977:IV	1978:I	1978 IV	1979:I	1977 IV— 1978:IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	4,591	4,547	5,019	4,962	12.6	9.3	12.6	9.1
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	2,108	2,185	2,367	2,434	12.6	12.3	12.8	11.4
Civilian employment (thousands)	91,401	94,901	303	295	313	312	3.9	3.3	3.8	5.8
Unemployment (thousands)	6,705	6,360	8	12	9	13	-8.8	15.9	-5.1	10.2
Percent unemployed (unemployment/labor force)	6.8	6.3	2.5	3.9	2.8	4.0	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	2,340	2,369	2,660	n.a.	15.6	13.7	---	---
Total deposits (millions of dollars)	911,772	n.a.	3,443	3,453	3,785	n.a.	9.3	9.9	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	162,170	81,521	247,913	113,767	16.8	52.9	19.8	39.6
Dwelling units started (number)	404,171	414,826	1,741	783	1,494	967	-2	-14.2	2.6	23.5
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	220	226	218	n.a.	13.2	-9	---	---
Business failures (number)	1,729	n.a.	11	9	4	n.a.	-4.9	-63.6	---	---
Consumer Price Index (1967=100) U S city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n.a.: Data not available.

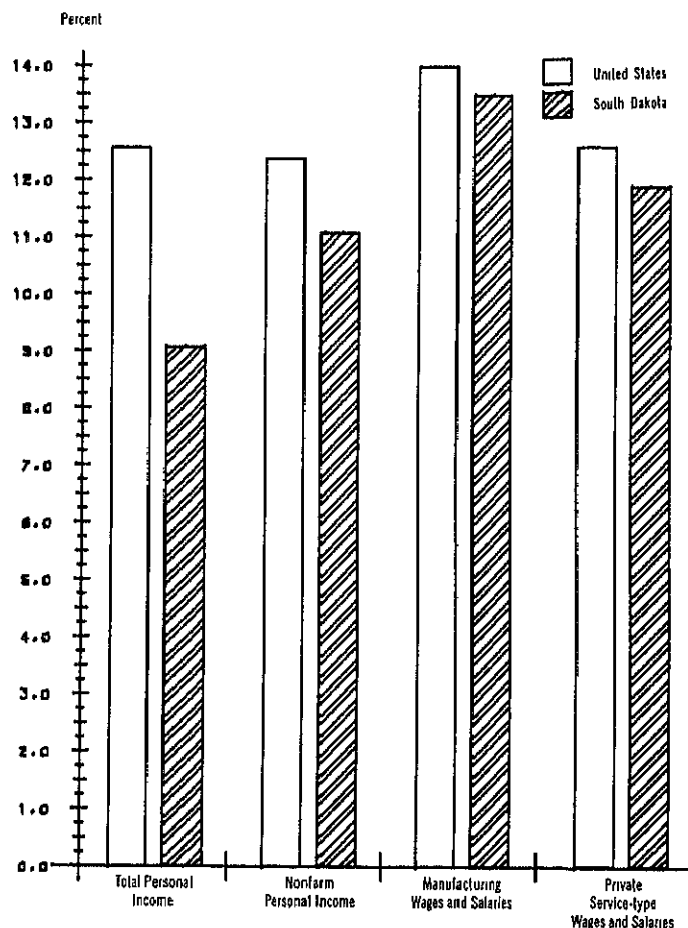
Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in South Dakota increased 9.1 percent from 1978:I to 1979:I, 3.5 percentage points less than nationally (table 2). The State's increase, the fifth smallest in the Nation after increases in Alaska, North Dakota, the District of Columbia, and Nebraska, brought personal income to a total of almost \$5.0 billion, up \$415 million since 1978:I. Farm personal income in the State declined 1.1 percent, compared with a 25.1-percent national increase. This decline contributed substantially to the State's lag in total income growth; in 1979:I, farm income accounted for 14.5 percent of total income in the State versus a national weight of 2.2 percent. South Dakota's nonfarm personal income increased 11.1 percent versus 12.4 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 11.4 percent from year to year, compared with 12.8 percent nationally. South Dakota's increase, among the 10 smallest in the Nation, brought total payrolls to \$2.4 billion, up \$249 million since 1978:I.

Payrolls in the private service-type industry group increased 11.9 percent in the State versus 12.6 percent in the Nation. Payroll increases in transportation-communication-public utilities and services were between 2 and 3 percentage points below corresponding national increases, while payroll increases in finance-insurance-real estate and trade were above corresponding national increases.

Nondurables manufacturing payrolls increased 3.1 percent, one-third of the national increase and among the smallest increases in the Nation. In contrast, durables manufacturing payrolls increased 26.1 percent, nearly 10 percentage points more than nationally and among the five largest increases in the Nation.

Federal Government payrolls increased 5.4 percent in the State versus 7.6 percent in the Nation, and State and local government payrolls increased 5.6 percent in the State versus 6.1 percent in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

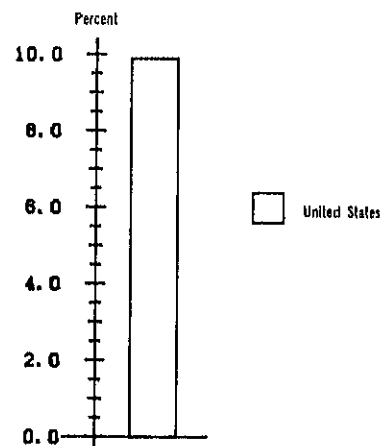


Chart 3—Total Personal Income
[Seasonally adjusted]

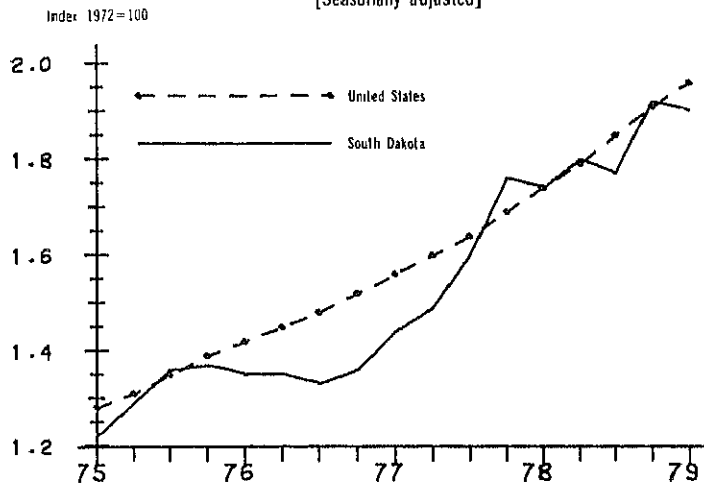


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

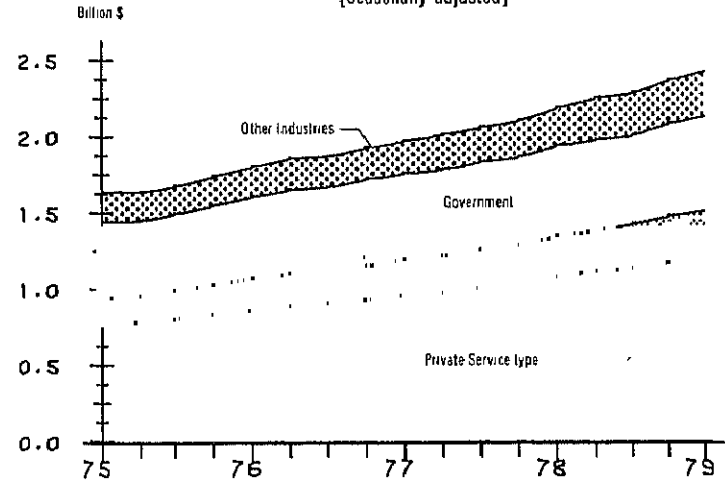


TABLE 2.—Personal Income, United States and South Dakota

	United States		South Dakota				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	4,591	4,547	5,019	4,962	12.6	9.3	12.6	9.1
Farm personal income	32,083	40,141	886	728	873	720	26.3	-1.5	25.1	-1.1
Nonfarm personal income	1,592,582	1,789,374	3,705	3,820	4,146	4,243	12.3	11.9	12.4	11.1
Total personal income	1,624,665	1,829,515	4,591	4,547	5,019	4,962	12.6	9.3	12.6	9.1
Wage and salary disbursements	1,042,716	1,176,598	2,108	2,185	2,367	2,434	12.6	12.3	12.8	11.4
Other labor income	99,957	115,833	183	193	214	221	16.4	16.9	15.9	14.6
Proprietors' income	108,808	126,535	1,145	998	1,174	1,021	18.9	2.5	16.3	2.3
Farm	24,448	31,221	836	678	818	662	31.3	-2.1	27.7	-2.3
Nonfarm	84,360	95,314	309	320	355	358	15.3	15.0	13.0	11.9
Dividends, interest, and rent	221,191	250,595	750	772	834	862	12.8	11.2	13.3	11.6
Transfer payments	219,202	238,794	578	587	630	642	8.2	8.9	8.9	9.5
State unemployment insurance benefits	9,997	8,023	13	10	9	9	-30.3	-29.2	-19.7	-9.5
Less personal contributions	66,792	78,351	178	193	206	225	15.1	15.7	17.3	16.5
Plus residence adjustment	-417	-489	5	5	6	7	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	2,108	2,185	2,367	2,434	12.6	12.3	12.8	11.4
Farm	7,215	8,422	49	49	53	56	10.6	9.0	16.7	15.0
Nonfarm	1,035,501	1,168,176	2,059	2,136	2,314	2,378	12.6	12.4	12.8	11.3
Mining	12,013	19,166	38	34	47	51	33.9	25.0	59.5	48.3
Construction	56,564	68,593	147	153	172	181	20.1	17.2	21.3	18.2
Manufacturing	285,735	325,636	251	272	303	308	13.3	20.8	14.0	13.5
Durable goods	182,321	211,944	109	122	144	154	15.2	31.8	16.2	26.1
Nondurable goods	103,414	113,692	141	149	159	154	10.0	12.2	9.9	3.1
Private service type	473,132	532,823	1,044	1,084	1,178	1,213	13.1	12.8	12.6	11.9
Transportation, communication, and public utilities	79,598	88,755	171	185	191	200	11.3	11.5	11.5	8.6
Wholesale and retail trade	177,331	201,608	458	467	519	532	14.1	13.4	13.7	14.0
Finance, insurance, and real estate	55,930	63,373	105	107	119	125	13.2	14.2	13.3	16.0
Services	160,273	179,087	311	325	349	355	12.7	12.1	11.7	9.4
Government	204,558	218,008	574	586	608	618	6.9	6.0	6.6	5.5
Federal	68,698	73,916	243	249	257	262	7.1	5.7	7.6	5.4
State and local	135,860	144,092	331	337	352	356	6.8	6.3	6.1	5.6
Other	3,499	3,950	6	7	7	7	14.6	6.5	12.9	5.0

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and South Dakota¹

	United States		South Dakota				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV—		1978:I—	
							1978:IV	1979:I	1978:IV	1979:I
Index, 1967 = 100, not seasonally adjusted							Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2 Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, South Dakota's civilian labor force increased 5.9 percent versus 3.2 percent nationally (table 4). Only three States—Wyoming, New Jersey, and Arizona—increased at higher rates. Total employment increased 5.8 percent, 2 percentage points more than nationally. South Dakota's increase ranked fifth among all States.

With the labor force increasing 18,000 and employment increasing 17,000, the number of unemployed increased 1,000, to 13,000. The

State's unemployment rate increased slightly, to 4.0 percent of the labor force in 1979:I, compared with 6.3 percent nationally. South Dakota's unemployment rate in 1979:I was one of the 10 lowest in the Nation.

March 1979 preliminary unemployment rates for the State and its major metropolitan area, Sioux Falls, were 3.8 and 3.4 percent, respectively, both up slightly since March 1978.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: South Dakota

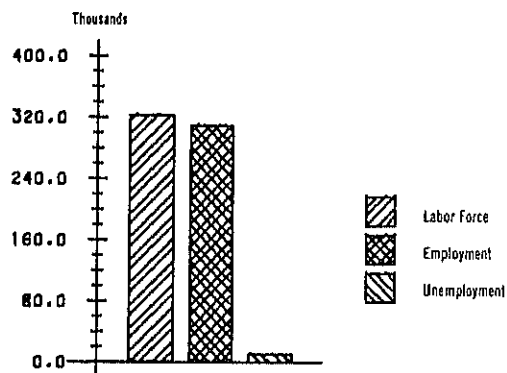


Chart 6.—Unemployment Rates, 1978:I—1979:I

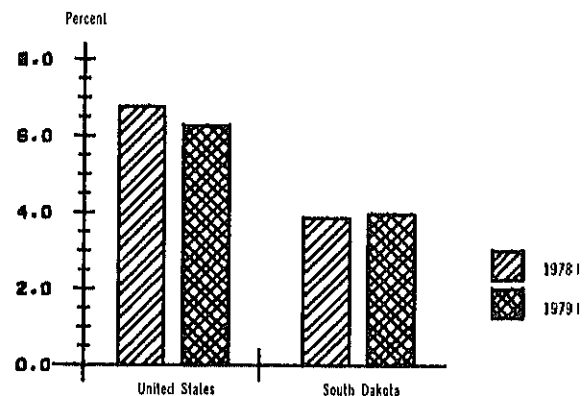


TABLE 4.—Labor Force, United States and South Dakota

	United States		South Dakota				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Thousands of persons, not seasonally adjusted ^a						Percent change ^b			
Employees on nonagricultural payrolls	84,207	86,680	231	223	235	230	4.2	1.7	2.9	2.9
Mining	730	896	3	3	3	3	14.4	-3.7	22.7	3.8
Construction	3,784	3,973	13	10	13	10	11.2	-2.2	5.0	2.0
Manufacturing	20,064	20,652	24	24	25	25	3.6	3.3	2.9	6.0
Transportation, communication, and public utilities	4,779	4,943	13	13	14	14	4.4	3.1	3.4	3.8
Wholesale and retail trade	18,937	19,549	63	61	64	62	4.5	1.0	3.2	1.8
Finance, insurance, and real estate	4,601	4,790	10	10	11	11	5.2	7.8	4.1	8.7
Services	15,758	16,149	47	46	49	48	4.4	2.8	2.5	4.6
Government	15,435	15,648	57	57	57	58	1.4	9	1.4	5
Civilian labor force ^c	98,106	101,260	311	307	323	325	3.1	3.7	3.2	5.9
Total employed	91,401	94,901	303	295	313	312	3.9	3.3	3.8	5.8
Total unemployed	6,705	6,360	8	12	9	13	-8.8	15.9	-5.1	10.2
Percent unemployed	6.8	6.3	2.5	3.9	2.8	4.0	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data.

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

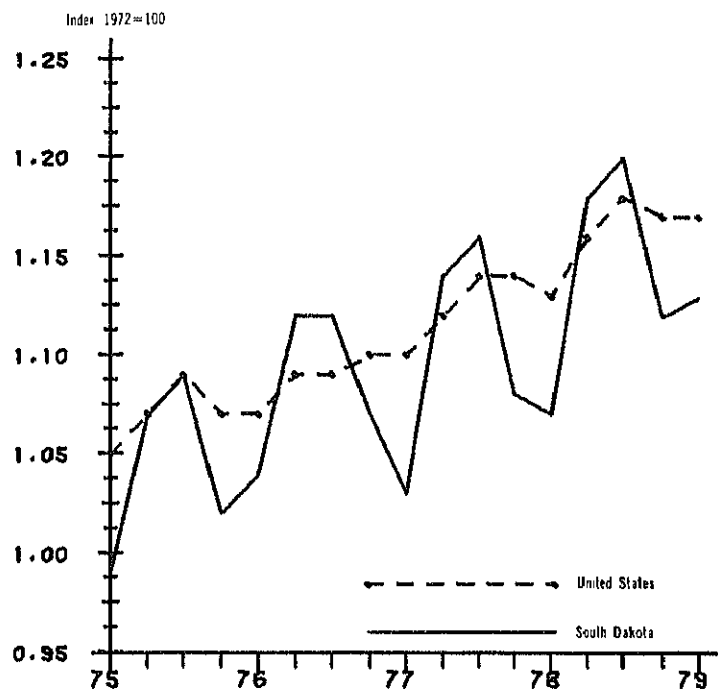


Chart 8.—Civilian Employment

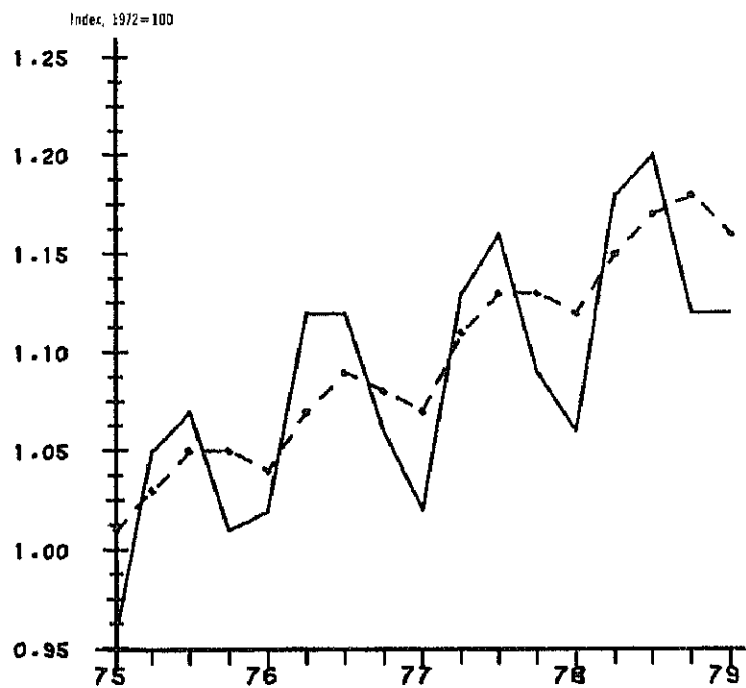


Chart 9.—Unemployment Rate

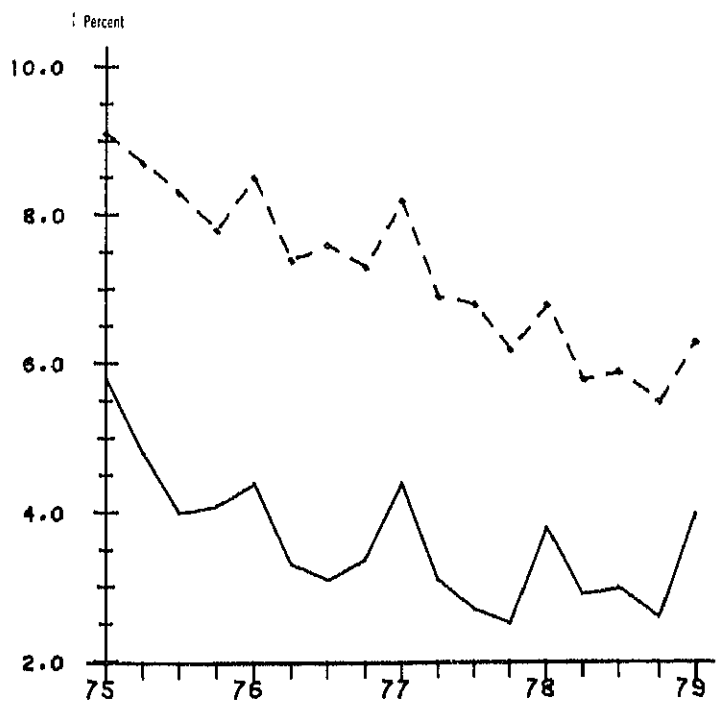
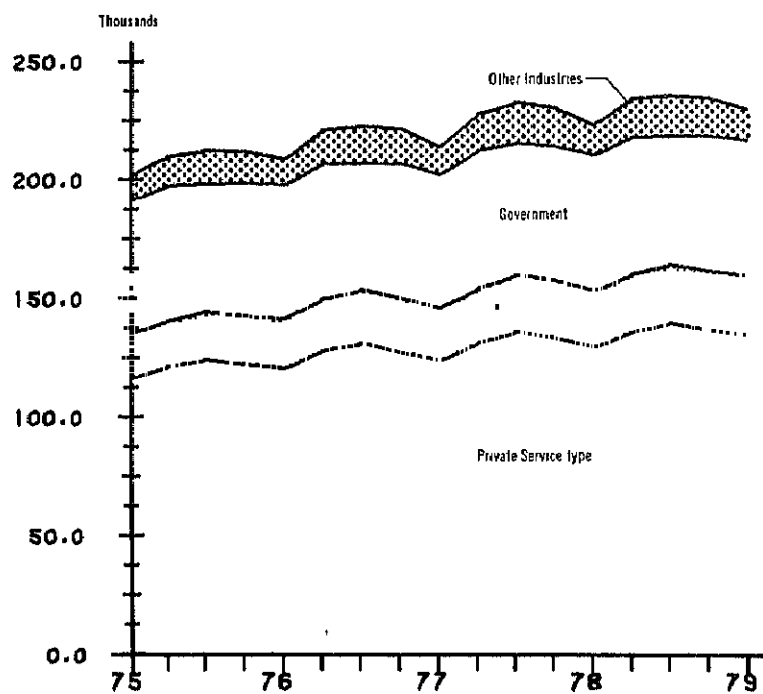


Chart 10.—Industrial Composition of Nonagricultural Employment: South Dakota



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and South Dakota

	United States		South Dakota				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	2,340	2,369	2,660	n.a.	15.6	13.7	---	---
Commercial and industrial	202,241	n.a.	487	512	560	n.a.	13.3	15.0	---	---
Loans to individuals	143,356	n.a.	447	459	517	n.a.	18.7	15.7	---	---
Real estate	183,599	n.a.	578	584	650	n.a.	19.6	12.4	---	---
Residential	104,830	n.a.	386	386	436	n.a.	22.1	12.8	---	---
Farms	7,919	n.a.	44	45	48	n.a.	9.6	8.3	---	---
Other	70,851	n.a.	148	152	167	n.a.	17.0	12.8	---	---
Farms, excluding real estate	25,440	n.a.	793	778	896	n.a.	9.5	13.0	---	---
Other	64,581	n.a.	35	35	36	n.a.	7.9	3.6	---	---
Total deposits	911,772	n.a.	3,443	3,453	3,785	n.a.	9.3	9.9	---	---
Demand	344,245	n.a.	1,009	953	1,102	n.a.	5.6	9.3	---	---
Time and savings	567,527	n.a.	2,434	2,500	2,682	n.a.	11.9	10.2	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in South Dakota increased 13.7 percent from 1977:IV to 1978:IV versus 15.6 percent nationally (table 5). In 1978:IV, bank loans totaled \$2.7 billion, up \$320 million since 1977:IV. Increases in loans to individuals (15.7 percent) and real estate loans (12.4 percent) were below corresponding national increases, while increases in commercial and industrial loans (15.0 percent) and farm loans, excluding real estate

(13.0 percent) were above corresponding national increases. The percentage increase in farm loans in South Dakota was the ninth largest in the Nation and accounted for one-third of the year-to-year increase in total loans in the State.

Total deposits in South Dakota increased 9.9 percent, 0.6 percentage point more than nationally. Bank deposits totaled \$3.8 billion in 1978:IV, up \$342 million since 1977:IV. Demand deposits in the State increased 9.3 percent versus 5.6 percent nationally, and time and savings deposits increased 10.2 percent versus 11.9 percent nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 39.6 percent (\$32.2 million), to \$113.8 million (table 6). The national increase was 19.8 percent. Each category of construction in the State except nonresidential building was strong relative to the corresponding national category.

Nonbuilding construction was particularly strong in South Dakota. The valuation of nonbuilding contracts increased 260.5 percent (\$33.6 million), compared with 23.7 percent nationally; the street and highway component of nonbuilding contracts, accounting for almost two-thirds of the State's increase in nonbuilding contracts, registered a 378.9-percent increase in valuation (\$21.3 million), which was more than six times the Nation's percentage increase. Only four States increased at higher rates during this timespan.

Contracts for the construction of new residential housekeeping units increased 31.5 percent in valuation (\$8.2 million), compared with an

11.8-percent increase nationally, and the number of dwelling units started increased 23.5 percent (to 967 units) versus only 2.6 percent nationally. Additions and alterations to residential housekeeping units increased 21.6 percent in valuation (\$3.6 million), compared with 17.9 percent in the Nation.

The valuation of nonresidential building contracts declined by slightly more than one-half (\$12.9 million) from year to year versus a national increase of 28.0 percent. The State's decline was the largest in the Nation. Inasmuch as the valuation of nonresidential contracts accounted for only 11 percent of the total valuation of construction contracts in the State in 1979:I (compared with 31 percent in 1978:I), the State's weakness was more than offset by strength in the nonbuilding and residential housekeeping categories.

Chart 14.—Construction Contracts—Total Valuation

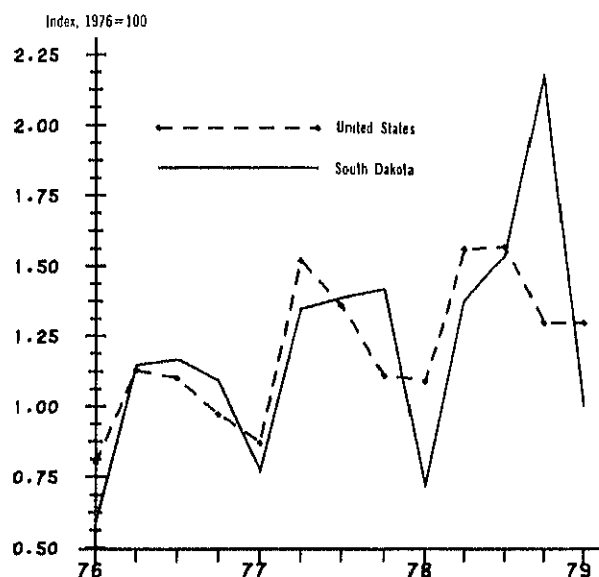


Chart 15.—Construction Contracts—Valuation of Contracts by Type: South Dakota

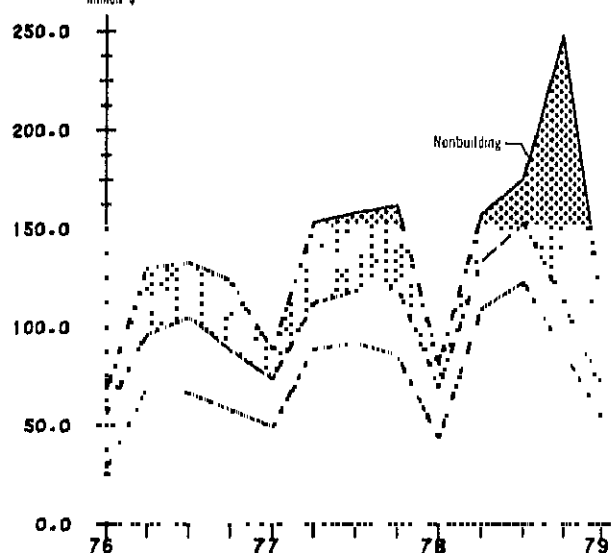


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

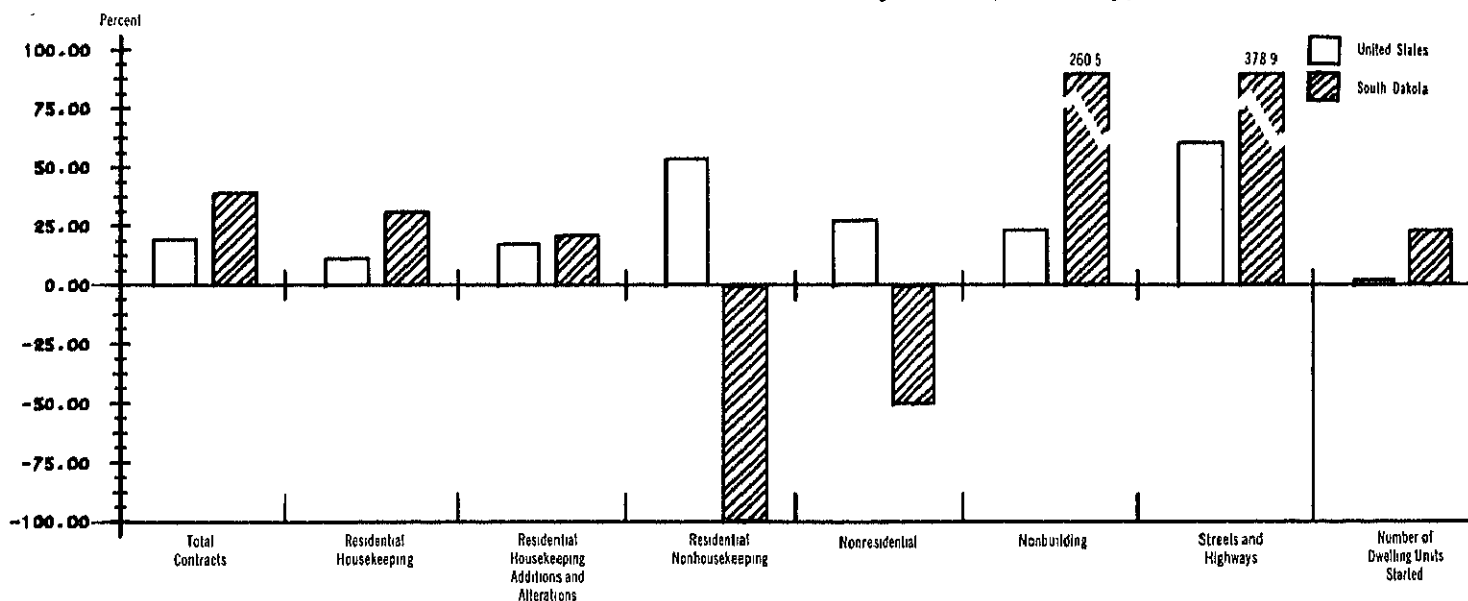


TABLE 6.—Construction Contracts, United States and South Dakota¹

	United States		South Dakota				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	162,170	81,521	247,913	113,767	16.8	52.9	19.8	39.6
Residential: housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	29,961	16,812	29,733	20,435	14.6	-8	17.9	21.6
All other contracts										
Number of contracts	53,028	53,454	555	376	442	400	-9.3	-20.4	8	6.4
Valuation (thousands of dollars)	32,202,931	38,675,376	132,209	64,709	218,180	93,332	17.3	65.0	20.1	44.2
Floor area (thousands of square feet)	807,538	904,811	3,321	1,787	3,010	1,537	10.3	-9.4	12.0	-14.0
Residential: housekeeping										
Number of contracts	13,592	14,399	243	214	223	210	-4.3	-8.2	5.9	-1.9
Number of dwelling units	404,171	414,826	1,741	783	1,494	967	-2	-14.2	2.6	23.5
Valuation (thousands of dollars)	13,806,696	15,431,523	53,001	26,057	56,676	34,277	15.6	6.9	11.8	31.5
Floor area (thousands of square feet)	546,445	571,860	2,151	1,012	2,044	1,244	10.7	-5.0	4.7	22.9
Residential: nonhousekeeping										
Number of contracts	441	464	8	2	6	0	-4	-25.0	5.2	---
Valuation (thousands of dollars)	327,201	504,158	2,855	324	880	0	54.9	-69.2	54.1	---
Floor area (thousands of square feet)	8,179	11,483	111	12	29	0	34.7	-74.3	40.4	---
Nonresidential										
Number of contracts	25,282	23,514	117	89	111	57	-12.0	-5.1	-7.0	-36.0
Valuation (thousands of dollars)	9,056,146	11,595,243	34,523	25,431	24,071	12,559	16.3	-30.3	28.0	-50.6
Floor area (thousands of square feet)	252,915	321,468	1,059	763	938	293	8.7	-11.4	27.1	-61.6
Nonbuilding										
Number of contracts	13,713	15,077	187	71	102	133	-9.1	-45.5	9.9	87.3
Valuation (thousands of dollars)	9,012,888	11,144,452	41,830	12,897	136,553	46,496	20.6	226.4	23.7	260.5
Streets and Highways										
Number of contracts	3,989	4,750	37	31	36	65	-17.8	-2.7	19.1	109.7
Valuation (thousands of dollars)	1,393,453	2,255,221	12,254	5,629	127,247	26,960	-18.1	938.4	61.2	378.9

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.

NOTE—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales for South Dakota are not available.

TABLE 7.—Retail Sales, United States and South Dakota

	United States		South Dakota				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

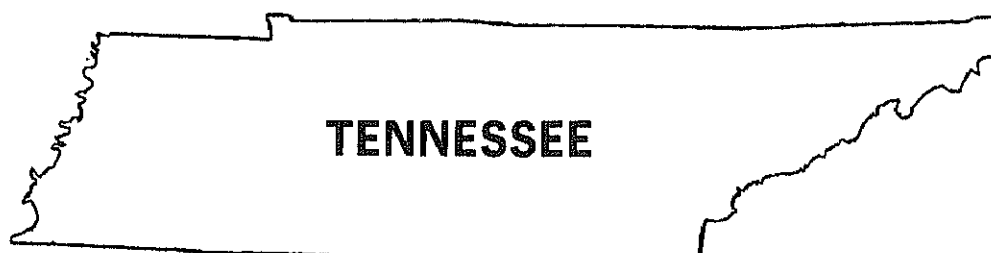
TABLE 8.—Business Incorporations and Failures, United States and South Dakota

	United States		South Dakota				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	220	226	218	n.a.	13.2	-9	---	---
Total number of business failures	1,729	n.a.	11	9	4	n.a.	-4.9	-63.6	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	1,786	937	652	n.a.	13.7	-63.5	---	---
Average liability per failure (thousands of dollars)	404	n.a.	162	104	163	n.a.	19.4	6	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	1	1	n.a.	6.0	---	---	---
Construction	279	n.a.	3	1	0	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	0	1	2	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	5	4	1	n.a.	-4	-80.0	---	---
Commercial services	205	n.a.	3	2	0	n.a.	-23.5	---	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 13.9% vs. 12.6% in U.S., to \$30.5 billion
- Farm personal income up 93.4% vs. 25.1% in U.S.
- Payrolls in nondurables manufacturing up 12.4% vs. 9.9% in U.S.

Employment

- Up 2.3% vs. 3.8% in U.S., to 1.8 million

Unemployment

- Down almost 1,000, to 122,000
- Rate down slightly, to 6.3%, same as in U.S.

Construction

- Total valuation of contracts up 269.0% vs. 19.8% in U.S.
- Valuation of nonbuilding contracts up substantially (because of large electric generating plant contract) vs. 23.7% increase in U.S.
- Number of dwelling-unit starts down 1.8% vs. 2.6% increase in U.S.

Retail sales

- Up 15.2% vs. 15.8% in U.S., to \$3.5 billion

TABLE 1.—Summary of Economic Indicators, United States and Tennessee

	United States		Tennessee				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	26,095	26,742	29,641	30,471	12.6	13.6	12.6	13.9
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	17,528	17,909	19,687	20,243	12.6	12.3	12.8	13.0
Civilian employment (thousands)	91,401	94,901	1,822	1,764	1,852	1,805	3.9	1.6	3.8	2.3
Unemployment (thousands)	6,705	6,360	105	123	107	122	-8.8	2.2	-5.1	-4
Percent unemployed (unemployment/labor force)	6.8	6.3	5.4	6.5	5.5	6.3	---	---	---	---
Total loans (millions of dollars)	619,218	n a	10,416	10,775	11,812	n a	15.6	13.4	---	---
Total deposits (millions of dollars)	911,772	n a	15,840	15,958	17,141	n a	9.3	8.2	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	760,397	762,952	816,506	2,815,204	16.8	7.4	19.8	269.0
Dwelling units started (number)	404,171	414,826	10,696	10,050	10,244	9,869	-2	-4.2	2.6	-1.8
Total retail sales (millions of dollars)	167,940	194,529	3,815	3,065	4,124	3,530	11.2	8.1	15.8	15.2
New business incorporations (number)	115,247	n a	1,467	1,590	1,503	n a	13.2	2.5	---	---
Business failures (number)	1,729	n a	40	51	35	n a	-4.9	-12.5	---	---
Consumer Price Index (1967=100)										
U S city average.. . . .	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n a - Data not available

Source: See tables 2 through 8.

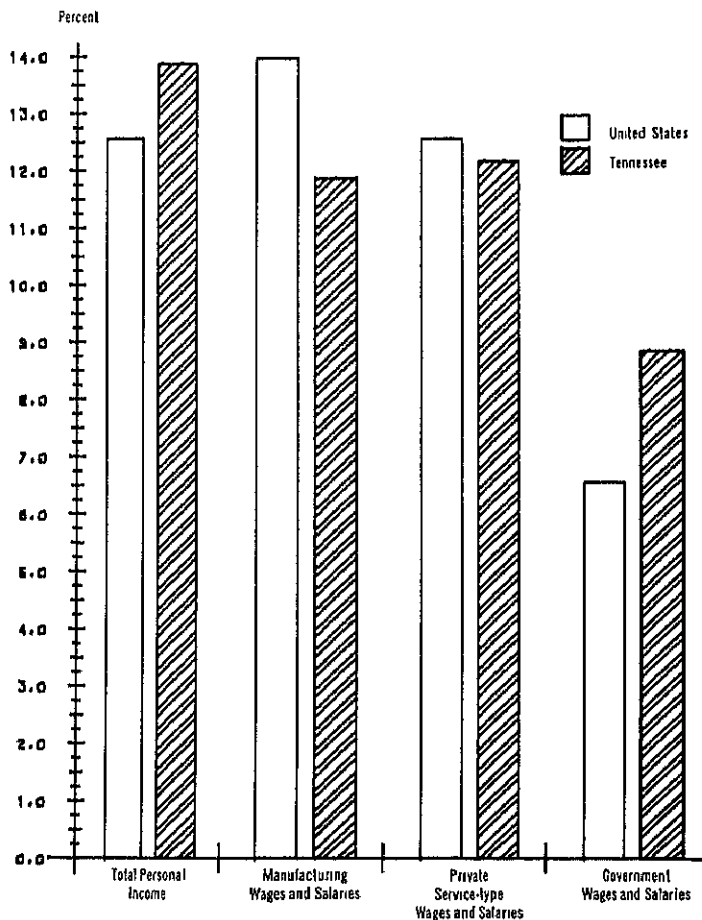
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Tennessee increased 13.9 percent from 1978:I to 1979:I versus 12.6 percent nationally (table 2). In 1979:I, the State's personal income totaled \$30.5 billion, up \$3.7 billion since 1978:I.

The State's above-national-average increase in total personal income was partly due to a 93.4-percent increase in farm personal income, compared with a national increase of 25.1 percent. Nonfarm personal income in Tennessee increased 12.6 percent, only slightly more than nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 13.0 percent from 1978:I to 1979:I versus 12.8 percent nationally. In 1979:I, payrolls totaled \$20.2 billion, up \$2.3 billion since 1978:I.

Nondurable goods manufacturing payrolls increased 12.4 percent from year to year versus 9.9 percent nationally. In contrast, durables manufacturing payrolls increased 11.3 percent in the State, one of the smallest increases in the Nation and almost one-third less than nationally.

Federal Government payrolls in Tennessee registered one of the largest increases in the Nation, 12.3 percent, compared with a 7.6-percent national increase. State and local government payrolls increased 6.9 percent versus 6.1 percent nationally.

Construction payrolls increased 42.0 percent from year to year, almost twice as much as nationally. Tennessee's increase was the second largest in the Nation, ranking after Arizona's 45.1-percent increase. Construction payrolls accounted for 15 percent of the year-to-year increase in all payrolls in Tennessee.

In the private service-type industry group, payroll increases of 12.0 percent in transportation-communication-public utilities and 14.5 percent in trade exceeded corresponding national increases. In contrast, payroll increases of 11.6 percent in finance-insurance-real estate and 9.6 percent in services lagged corresponding national increases.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

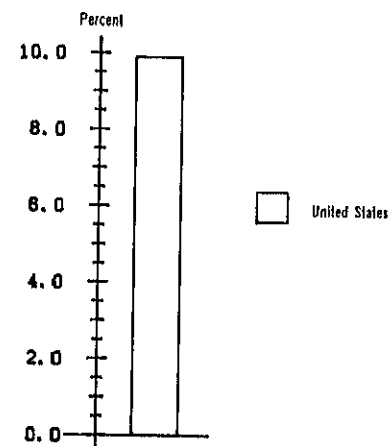


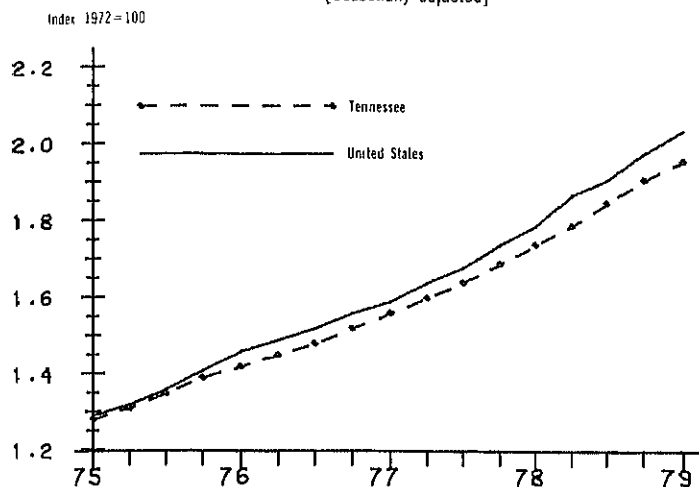
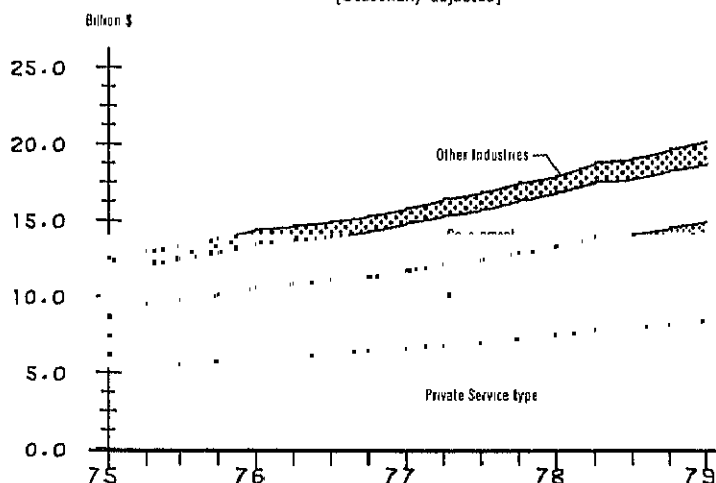
Chart 3.—Total Personal Income
[Seasonally adjusted]Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

TABLE 2.—Personal Income, United States and Tennessee

	United States		Tennessee				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	26,095	26,742	29,641	30,471	12.6	13.6	12.6	13.9
Farm personal income	32,083	40,141	303	435	707	842	26.3	133.5	25.1	93.4
Nonfarm personal income	1,592,582	1,789,374	25,792	26,307	28,934	29,630	12.3	12.2	12.4	12.6
Total personal income	1,624,665	1,829,515	26,095	26,742	29,641	30,471	12.6	13.6	12.6	13.9
Wage and salary disbursements	1,042,716	1,176,598	17,528	17,909	19,687	20,243	12.6	12.3	12.8	13.0
Other labor income	99,957	115,833	1,689	1,748	1,945	2,004	16.4	15.1	15.9	14.6
Proprietors' income	108,808	126,535	1,851	2,009	2,528	2,685	18.9	36.6	16.3	33.7
Farm	24,448	31,221	213	345	610	740	31.3	187.2	27.7	114.4
Nonfarm	84,360	95,314	1,638	1,664	1,917	1,945	15.3	17.0	13.0	16.9
Dividends, interest, and rent	221,191	250,595	2,699	2,778	3,017	3,118	12.8	11.8	13.3	12.2
Transfer payments	219,202	238,794	3,753	3,813	4,106	4,189	8.2	9.4	8.9	9.8
State unemployment insurance benefits	9,997	8,023	151	130	114	108	-30.3	-24.8	-19.7	-17.1
Less: personal contributions	66,792	78,351	1,138	1,210	1,298	1,415	15.1	14.1	17.3	16.9
Plus: residence adjustment	-417	-489	-288	-305	-343	-353	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	17,528	17,909	19,687	20,243	12.6	12.3	12.8	13.0
Farm	7,215	8,422	88	88	94	99	10.6	7.1	16.7	13.0
Nonfarm	1,035,501	1,168,176	17,440	17,821	19,593	20,144	12.6	12.3	12.8	13.0
Mining	12,013	19,166	131	119	159	165	33.9	21.2	59.5	39.0
Construction	56,564	68,593	871	822	1,087	1,166	20.1	24.9	21.3	42.0
Manufacturing	285,735	325,636	5,679	5,784	6,317	6,473	13.3	11.2	14.0	11.9
Durable goods	182,321	211,944	2,582	2,653	2,897	2,954	15.2	12.2	16.2	11.3
Nondurable goods	103,414	113,692	3,098	3,131	3,420	3,519	10.0	10.4	9.9	12.4
Private service type	473,132	532,823	7,305	7,579	8,252	8,506	13.1	13.0	12.6	12.2
Transportation, communication, and public utilities	79,598	88,755	1,163	1,223	1,318	1,369	11.3	13.3	11.5	12.0
Wholesale and retail trade	177,331	201,608	3,044	3,119	3,449	3,573	14.1	13.3	13.7	14.5
Finance, insurance, and real estate	55,930	63,373	793	801	872	894	13.2	10.0	13.3	11.6
Services	160,273	179,087	2,305	2,436	2,613	2,670	12.7	13.4	11.7	9.6
Government	204,558	218,008	3,421	3,482	3,739	3,793	6.9	9.3	6.6	8.9
Federal	68,698	73,916	1,280	1,295	1,448	1,455	7.1	13.1	7.6	12.3
State and local	135,860	144,092	2,141	2,187	2,292	2,338	6.8	7.0	6.1	6.9
Other	3,499	3,950	33	36	38	40	14.6	14.0	12.9	12.3

1 Detail may not add to totals because of rounding
2 Based on unrounded data

Source U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Tennessee¹

	United States		Tennessee				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979 I	1977:IV— 1978:IV	1978:I— 1979:I		
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2 Average for 85 representative urban areas based on the 1970 Census of Population
Source U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Tennessee's civilian labor force increased 2.2 percent versus 3.2 percent nationally (table 4). Total employment increased 2.3 percent (to 1.8 million), compared with a 3.8-percent national increase; the State's percentage increase was one of the smallest in the Nation.

With the labor force increasing by slightly less than 41,000 and employment increasing by slightly more than 41,000, the number of

unemployed declined by almost 1,000, to 122,000. Tennessee's unemployment rate declined slightly, to 6.3 percent of the labor force in 1979:I, the same as nationally.

Among Tennessee's major metropolitan areas, preliminary unemployment rates for February 1979, when the State's rate was 6.4 percent, ranged from 5.7 percent in Chattanooga to 4.2 percent in Nashville-Davidson.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I; Tennessee

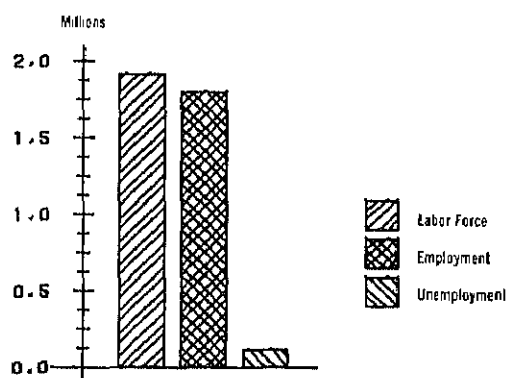


Chart 6.—Unemployment Rates, 1978:I—1979:I

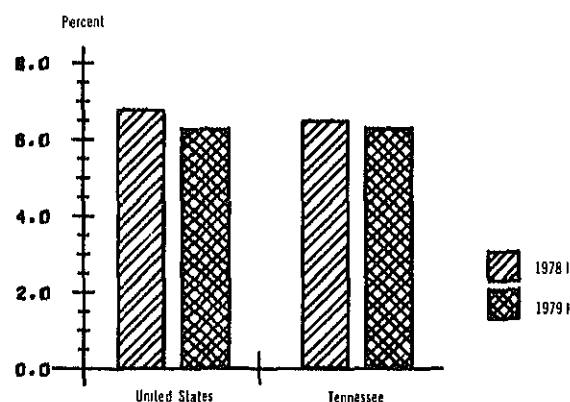


TABLE 4.—Labor Force, United States and Tennessee

	United States		Tennessee				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,697	1,664	1,743	1,718	4.2	2.7	2.9	3.2
Mining	730	896	11	10	10	10	14.4	-2.9	22.7	5.2
Construction	3,784	3,973	83	71	92	86	11.2	11.4	5.0	20.9
Manufacturing	20,064	20,652	517	516	526	522	3.6	1.6	2.9	1.1
Transportation, communication, and public utilities	4,779	4,943	81	79	84	83	4.4	3.2	3.4	4.6
Wholesale and retail trade	18,937	19,549	372	359	381	371	4.5	2.4	3.2	3.4
Finance, insurance, and real estate	4,601	4,790	71	72	73	73	5.2	2.1	4.1	1.7
Services	15,758	16,149	258	257	267	264	4.4	3.5	2.5	2.7
Government	15,435	15,648	304	302	310	310	1.4	2.0	1.4	2.8
Civilian labor force ³	98,106	101,260	1,927	1,887	1,959	1,928	3.1	1.7	3.2	2.2
Total employed	91,401	94,901	1,822	1,764	1,852	1,805	3.9	1.6	3.8	2.3
Total unemployed	6,705	6,360	105	123	107	122	-8.8	2.2	-5.1	-4
Percent unemployed	6.8	6.3	5.4	6.5	5.5	6.3	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

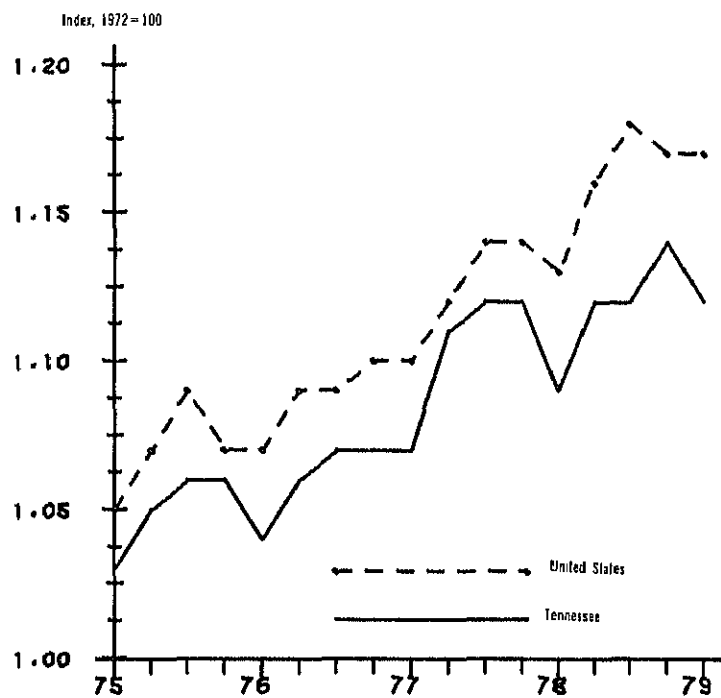


Chart 8.—Civilian Employment

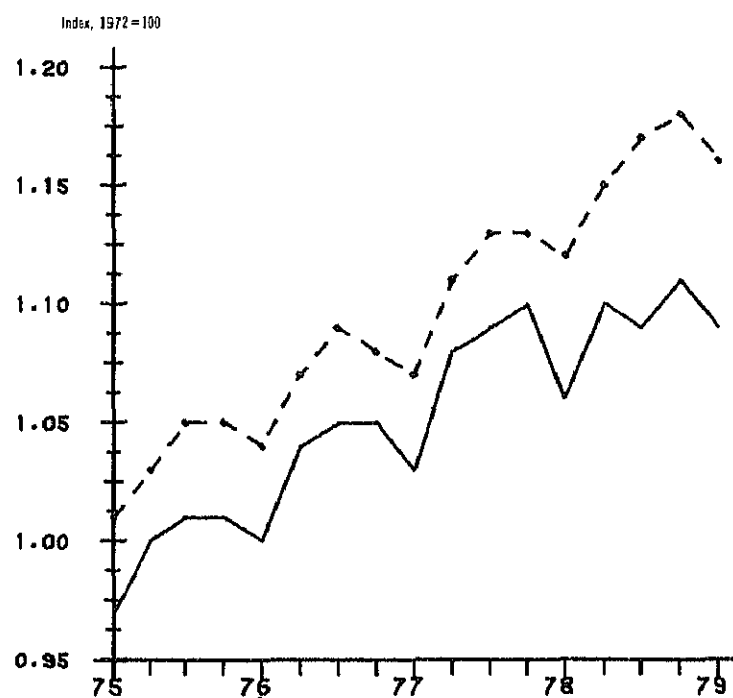


Chart 9.—Unemployment Rate

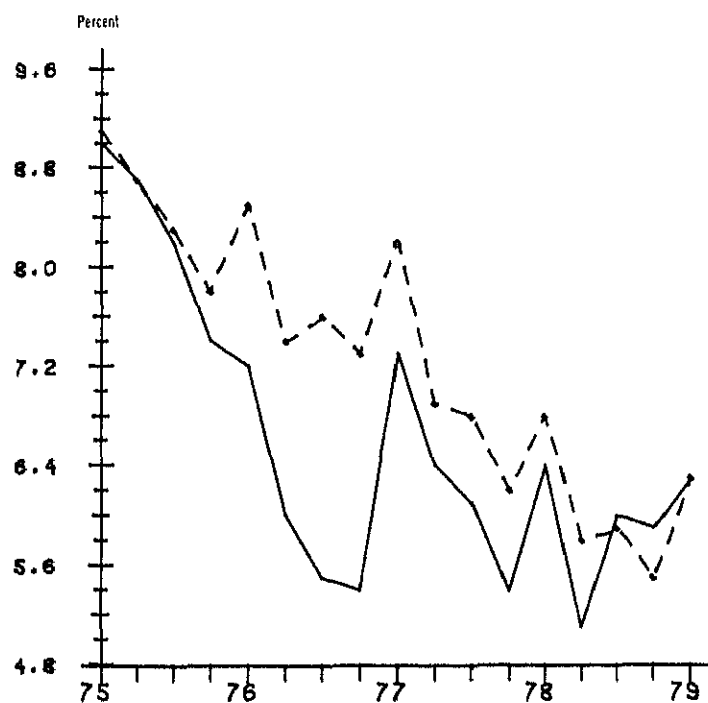
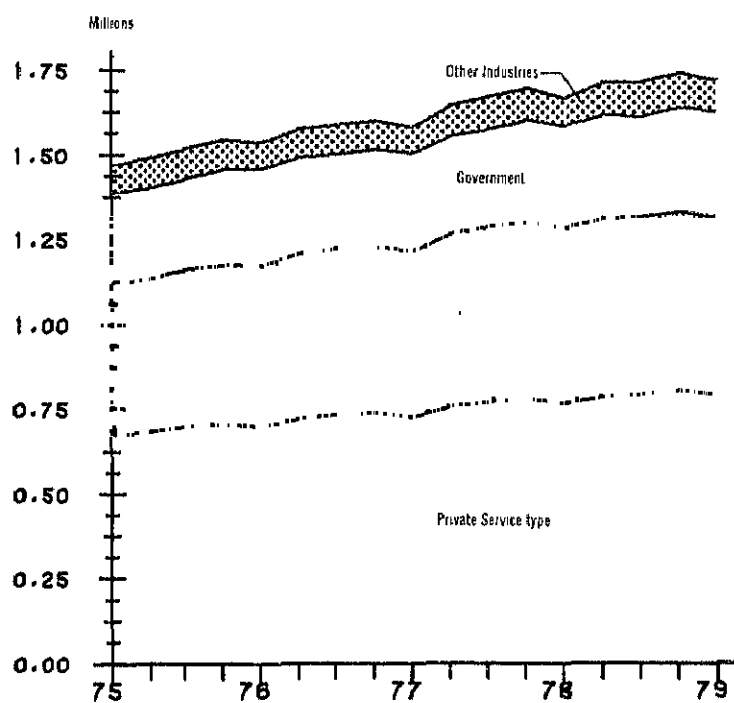


Chart 10.—Industrial Composition of Nonagricultural Employment: Tennessee



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Tennessee

	United States		Tennessee				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV-- 1978 IV		1978 I-- 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a	10,416	10,775	11,812	n.a.	15.6	13.4	---	---
Commercial and industrial	202,241	n.a	2,691	2,863	2,997	n.a	13.3	11.4	---	---
Loans to individuals	143,356	n.a	3,478	3,540	3,947	n.a	18.7	13.5	---	---
Real estate	183,599	n.a	3,285	3,408	3,863	n.a	19.6	17.6	---	---
Residential	104,830	n.a	1,480	1,536	1,782	n.a	22.1	20.4	---	---
Farms	7,919	n.a	334	344	365	n.a	9.6	9.3	---	---
Other	70,851	n.a	1,471	1,529	1,717	n.a	17.0	16.7	---	---
Farms, excluding real estate	25,440	n.a	296	298	309	n.a	9.5	4.3	---	---
Other	64,581	n.a	665	666	695	n.a	7.9	4.5	---	---
Total deposits	911,772	n.a.	15,840	15,958	17,141	n.a.	9.3	8.2	---	---
Demand	344,245	n.a	5,626	5,342	6,030	n.a	5.6	7.2	---	---
Time and savings	567,527	n.a	10,213	10,615	11,111	n.a	11.9	8.8	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 13.4 percent (\$1.4 billion) in Tennessee from 1977:IV to 1978:IV, 2.2 percentage points less than nationally (table 5). In 1978:IV, bank loans totaled \$11.8 billion in the State. All categories of loans in Tennessee registered below-national-average increases from year to year. Commercial and industrial loans increased 11.4 percent, 1.9 percentage points less than nationally, and loans to individuals increased 13.5 percent, 5.2 percentage points less than nationally. Real estate loans increased 17.6 percent in the State and 19.6 percent in the Nation.

Total deposits increased 8.2 percent (\$1.3 billion) from 1977:IV to 1978:IV, 1.1 percentage points less than nationally. In 1978:IV, bank deposits totaled \$17.1 billion in the State. Time and savings deposits increased 8.8 percent from year to year, one of the smallest increases in the Nation and 3.1 percentage points less than nationally. In contrast, demand deposits increased 7.2 percent in Tennessee, compared with 5.6 percent in the Nation.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 269.0 percent (\$2.1 billion), to \$2.8 billion, compared with a 19.8-percent national increase (table 6). Tennessee's percentage increase was the second largest in the Nation, after Mississippi's. In 1979:I, a \$1.8 billion contract for the construction of an electric generating plant in Hawkins County, a \$100 million contract for the construction of an elementary school in Fentress County, and a \$70 million contract for the construction of a fuel products plant in Shelby County raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. If all three contracts are excluded, the total valuation of contracts in Tennessee would have increased only 10.8 percent from year to year. From 1978:I to 1979:I, national construction costs increased about 14 percent.

Primarily reflecting the Hawkins County contract, the valuation of nonbuilding contracts increased from \$96.7 million in 1978:I to \$1.9 billion in 1979:I. Nationally, nonbuilding contracts increased 23.7 percent

in valuation. In contrast, the valuation of Tennessee's street and highway contracts, a major component of nonbuilding contracts, was about unchanged from year to year, compared with a national increase of 61.2 percent.

Reflecting the Fentress County and Shelby County contracts, the valuation of nonresidential contracts increased 81.9 percent (\$173.1 million) in the State versus 28.0 percent nationally.

The valuation of contracts for additions and alterations to residential housekeeping units increased 25.6 percent (\$29.2 million) from year to year, compared with a 17.9-percent national increase. In contrast, the valuation of contracts for new residential housekeeping units increased only 6.7 percent (\$21.7 million), compared with an 11.8-percent national increase. The number of dwelling units started in the State declined 1.8 percent (181 units), to 9,869, versus a national increase of 2.6 percent.

Chart 14.—Construction Contracts—Total Valuation

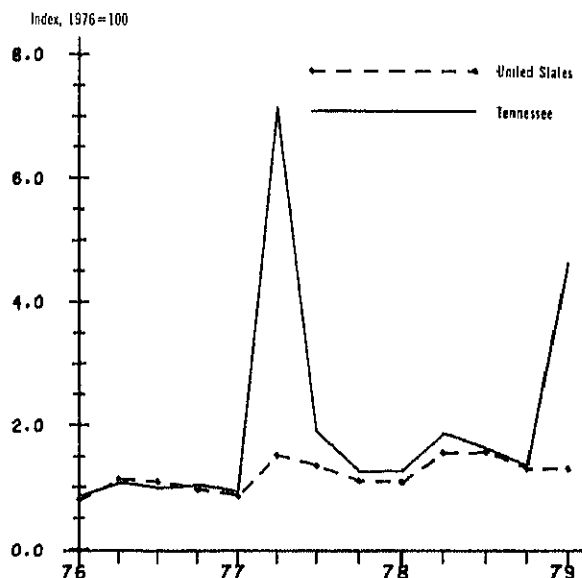


Chart 15.—Construction Contracts—Valuation of Contracts by Type

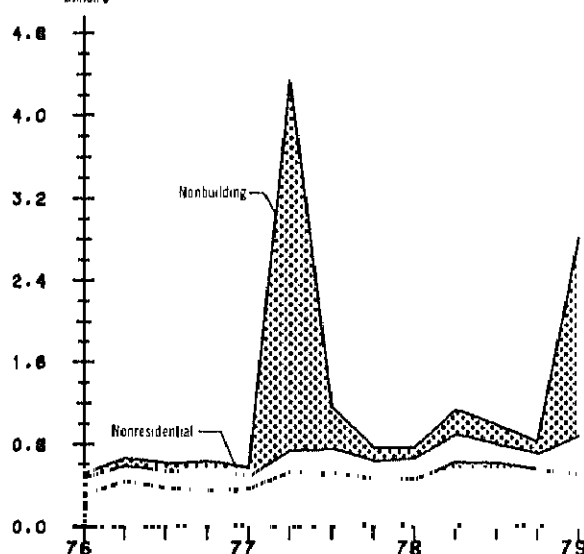
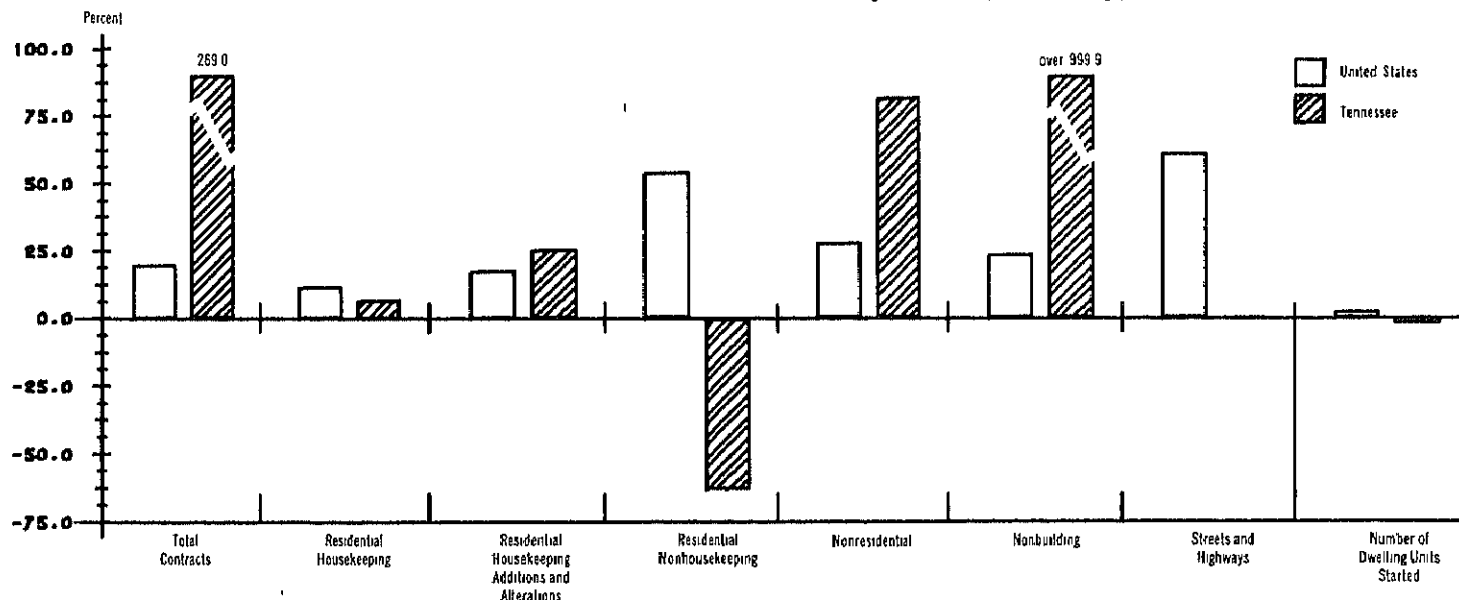


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978 I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Tennessee

	United States		Tennessee				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV- 1978 IV		1978 I- 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	10,416	10,775	11,812	n.a.	15.6	13.4	---	---
Commercial and industrial	202,241	n.a.	2,691	2,863	2,997	n.a.	13.3	11.4	---	---
Loans to individuals	143,356	n.a.	3,478	3,540	3,947	n.a.	18.7	13.5	---	---
Real estate	183,599	n.a.	3,285	3,408	3,863	n.a.	19.6	17.6	---	---
Residential	104,830	n.a.	1,480	1,536	1,782	n.a.	22.1	20.4	---	---
Farms	7,919	n.a.	334	344	365	n.a.	9.6	9.3	---	---
Other	70,851	n.a.	1,471	1,529	1,717	n.a.	17.0	16.7	---	---
Farms, excluding real estate	25,440	n.a.	296	298	309	n.a.	9.5	4.3	---	---
Other	64,581	n.a.	665	666	695	n.a.	7.9	4.5	---	---
Total deposits	911,772	n.a.	15,840	15,958	17,141	n.a.	9.3	8.2	---	---
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Time and savings	567,527	n.a.	10,213	10,615	11,111	n.a.	11.9	8.8	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 13.4 percent (\$1.4 billion) in Tennessee from 1977:IV to 1978:IV, 2.2 percentage points less than nationally (table 5). In 1978:IV, bank loans totaled \$11.8 billion in the State. All categories of loans in Tennessee registered below-national-average increases from year to year. Commercial and industrial loans increased 11.4 percent, 1.9 percentage points less than nationally, and loans to individuals increased 13.5 percent, 5.2 percentage points less than nationally. Real estate loans increased 17.6 percent in the State and 19.6 percent in the Nation.

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Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 269.0 percent (\$2.1 billion), to \$2.8 billion, compared with a 19.8-percent national increase (table 6). Tennessee's percentage increase was the second largest in the Nation, after Mississippi's. In 1979:I, a \$1.8 billion contract for the construction of an electric generating plant in Hawkins County, a \$100 million contract for the construction of an elementary school in Fentress County, and a \$70 million contract for the construction of a fuel products plant in Shelby County raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. If all three contracts are excluded, the total valuation of contracts in Tennessee would have increased only 10.8 percent from year to year. From 1978:I to 1979:I, national construction costs increased about 14 percent.

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Chart 14.—Construction Contracts—Total Valuation

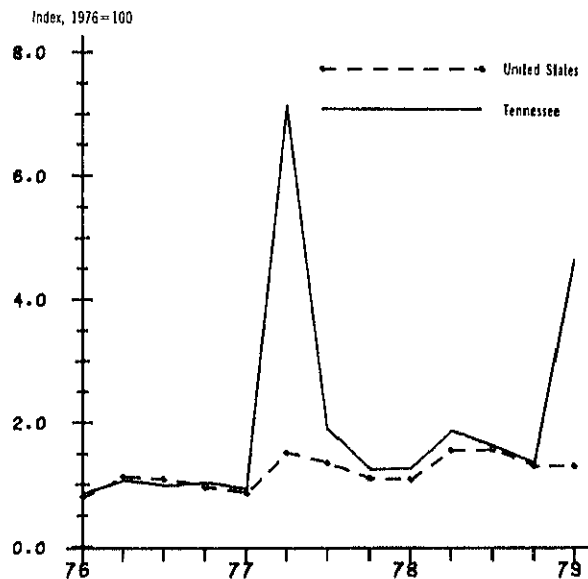


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Tennessee

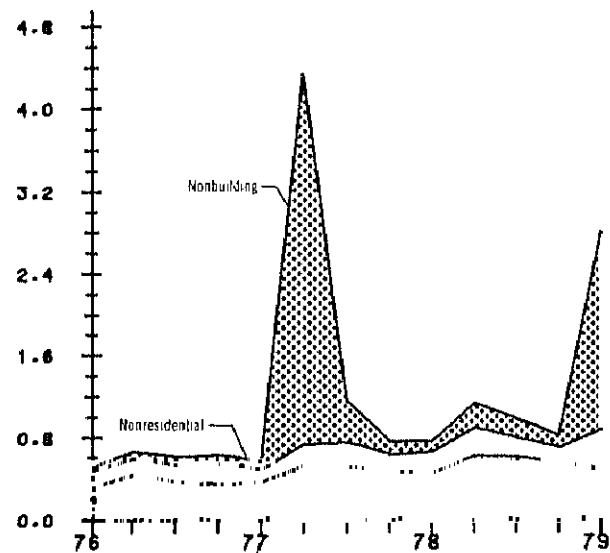


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

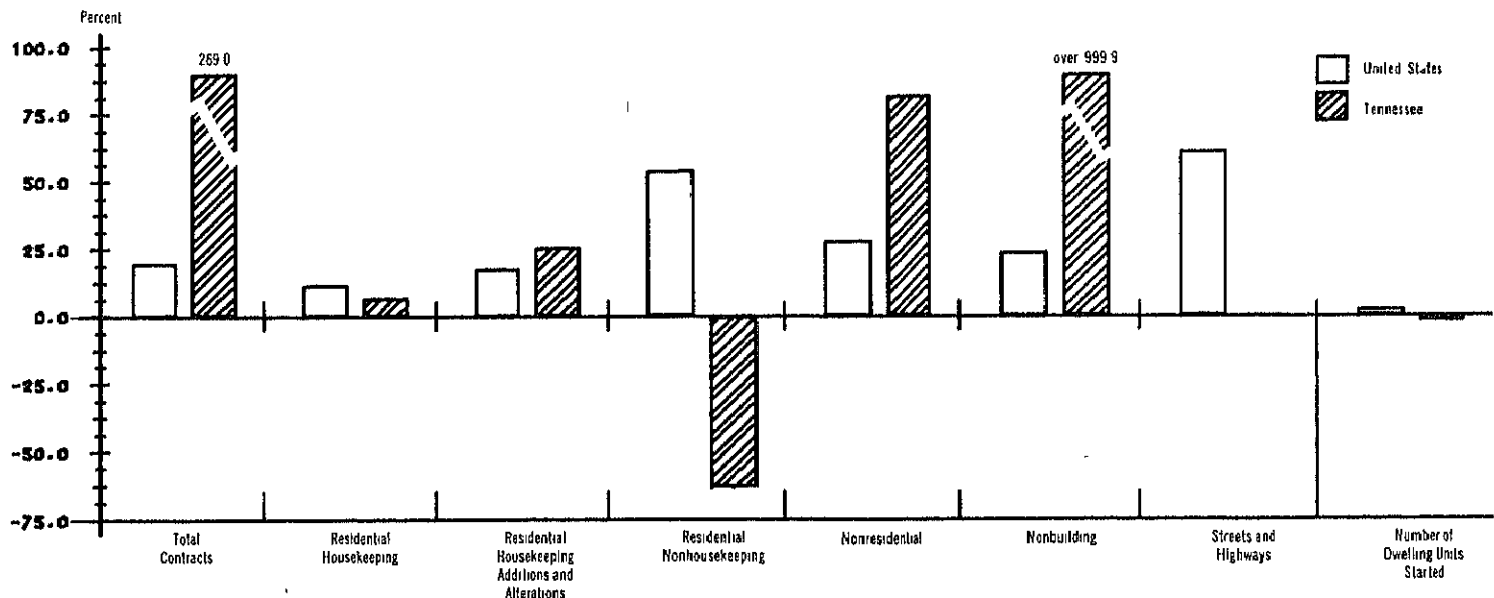


TABLE 6.—Construction Contracts, United States and Tennessee¹

	United States		Tennessee				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	760,397	762,952	816,506	2,815,204	16.8	7.4	19.8	269.0
Residential housekeeping, additions and alterations Valuation (thousands of dollars)	5,904,299	6,962,771	134,149	113,977	170,750	143,154	14.6	27.3	17.9	25.6
All other contracts										
Number of contracts	53,028	53,454	1,405	1,244	1,171	1,161	-9.3	-16.7	.8	-6.7
Valuation (thousands of dollars)	32,202,931	38,675,376	626,248	648,975	645,756	2,672,050	17.3	3.1	20.1	311.7
Floor area (thousands of square feet)	807,538	904,811	19,784	20,322	21,915	21,364	10.3	10.8	12.0	5.1
Residential housekeeping										
Number of contracts	13,592	14,399	375	354	351	360	-4.3	-6.4	5.9	1.7
Number of dwelling units	404,171	414,826	10,696	10,050	10,244	9,869	-2	-4.2	2.6	-1.8
Valuation (thousands of dollars)	13,806,696	15,431,523	325,876	326,236	371,026	347,942	15.6	13.9	11.8	6.7
Floor area (thousands of square feet)	546,445	571,860	14,038	14,125	16,101	14,337	10.7	14.7	4.7	1.5
Residential nonhousekeeping										
Number of contracts	441	464	13	13	11	14	-4	-15.4	5.2	7.7
Valuation (thousands of dollars)	327,201	504,158	2,031	14,748	4,106	5,416	54.9	102.2	54.1	-63.3
Floor area (thousands of square feet)	8,179	11,483	62	398	90	110	34.7	45.5	40.4	-72.5
Nonresidential										
Number of contracts	25,282	23,514	667	560	495	451	-12.0	-25.8	-7.0	-19.5
Valuation (thousands of dollars)	9,056,146	11,595,243	172,565	211,296	161,827	384,431	16.3	-6.2	28.0	81.9
Floor area (thousands of square feet)	252,915	321,468	5,685	5,799	5,724	6,917	8.7	7	27.1	19.3
Nonbuilding										
Number of contracts	13,713	15,077	350	317	314	336	-9.1	-10.3	9.9	6.0
Valuation (thousands of dollars)	9,012,888	11,144,452	125,776	96,695	108,797	1,934,261	20.6	-13.5	23.7	***
Streets and Highways										
Number of contracts	3,989	4,750	90	113	92	86	-17.8	2.2	19.1	-23.9
Valuation (thousands of dollars)	1,399,453	2,255,221	62,920	34,844	40,706	34,798	-18.1	-35.3	61.2	-1

***Percent change greater than 999.9

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Tennessee totaled \$3.5 billion in 1979 I, up 15.2 percent (table 7). In 1979:I, nondurable goods totaled \$2.4 billion, and (5465 million) since 1978:I, compared with a national increase of 15.8 percent (table 7). In 1979:I, durable goods totaled \$1.1 billion.

TABLE 7.—Retail Sales, United States and Tennessee

	United States		Tennessee				U S	State	U S	State
	1978 I	1979 I	1977-IV	1978 I	1978 IV	1979 I	1977-IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	3,815	3,065	4,124	3,530	11.2	8.1	15.8	15.2
Durable goods	55,388	68,203	n a	n a	1,214	1,113	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n a	n a	2,910	2,417	9.2	---	12.3	---

n a Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Tennessee

	United States		Tennessee				U.S.	State	U.S.	State
	1978 I	1979 I	1977-IV	1978 I	1978 IV	1979 I	1977-IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,467	1,590	1,503	n.a.	13.2	2.5	---	---
Total number of business failures	1,729	n.a.	40	51	35	n.a.	-4.9	-12.5	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	48,913	5,178	7,717	n.a.	13.7	-84.2	---	---
Average liability per failure (thousands of dollars)	404	n.a.	1,223	102	220	n.a.	19.4	-82.0	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	5	5	6	n.a.	6.0	20.0	---	---
Construction	279	n.a.	14	9	8	n.a.	-8.2	-42.9	---	---
Wholesale trade	205	n.a.	2	3	1	n.a.	-6.3	-50.0	---	---
Retail trade	769	n.a.	13	30	14	n.a.	-4	7.7	---	---
Commercial services	205	n.a.	6	4	6	n.a.	-23.5	0	---	---

n a Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 14.7% vs. 12.6% in U.S., to \$108.3 billion —Durables manufacturing payrolls up 19.2% vs. 16.2% in U.S. —Mining payrolls up 36.3% vs. 59.5% in U.S.
Consumer prices	—Up 10.5% in Dallas and 13.7% in Houston vs. 9.9% in U.S.
Employment	—Up 5.0% vs. 3.8% in U.S., to 5.9 million
Unemployment	—Down 48,000, to 259,000 —Rate down 1.0 percentage point, to 4.2% of labor force vs. 6.3% in U.S.
Construction	—Total valuation of contracts up 8.1% vs. 19.8% in U.S., to \$4.0 billion —Valuation of nonresidential contracts up 15.0% vs. 28.0% in U.S., to \$1.5 billion —Number of dwelling-unit starts down 10.7% vs. 2.6% gain in U.S. to 41,859
Retail sales	—Up 16.0% vs. 15.8% in U.S., to \$12.7 billion

TABLE 1.—Summary of Economic Indicators, United States and Texas

	United States		Texas				U S	State	U S	State
	1978 I	1979 I	1977.IV	1978 I	1978.IV	1979.I	1977 IV— 1978 IV	1978.I— 1979 I	1978.I— 1979 I	1978.I— 1979 I
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	92,152	94,452	105,549	108,316	12.6	14.5	12.6	14.7
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	59,245	61,014	68,728	70,688	12.6	16.0	12.8	15.9
Civilian employment (thousands)	91,401	94,901	5,590	5,583	5,809	5,861	3.9	3.9	3.8	5.0
Unemployment (thousands) ..	6,705	6,360	290	307	278	259	-8.8	-4.1	-5.1	-15.8
Percent unemployed (unemployment/labor force) ..	6.8	6.3	4.9	5.2	4.6	4.2	---	---	---	---
Total loans (millions of dollars)	619,218	n.a	36,605	38,228	44,515	n.a	15.6	21.6	---	---
Total deposits (millions of dollars) ..	911,772	n.a	60,275	60,818	67,940	n.a	9.3	12.7	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	2,903,864	3,666,789	3,696,739	3,963,217	16.8	27.3	19.8	8.1
Dwelling units started (number) ..	404,171	414,826	45,394	46,884	34,021	41,859	-2	-25.1	2.6	-10.7
Total retail sales (millions of dollars) ..	167,940	194,529	12,428	10,980	13,971	12,741	11.2	12.4	15.8	16.0
New business incorporations (number) ..	115,247	n.a	5,888	6,871	8,226	n.a	13.2	39.7	---	---
Business failures (number) ..	1,729	n.a	101	79	136	n.a	-4.9	34.7	---	---
Consumer Price Index (1967=100)*										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Dallas ..	---	---	183.8	186.7	200.7	206.3	---	9.2	---	10.5
Houston ..	---	---	192.7	196.2	216.0	223.1	---	12.1	---	13.7

n.a. Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Texas increased 14.7 percent from 1978:I to 1979:I, outpacing the Nation's gain by over 2 percentage points (table 2). In 1979:I, Texas' personal income totaled \$108 billion, up \$14 billion from the 1978:I level. During the same timespan, consumer prices increased 10.5 percent in Dallas and 13.7 percent in Houston, compared with a U.S. city average increase of 9.9 percent (table 3). If the average of the two metropolitan-area price increases is used as an indicator for price increases in the State, real total personal income increased about 2.6 percent in Texas versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 15.9 percent from 1978:I to 1979:I, leading the Nation's gain by over 3 percentage points and ranking among the largest State gains. Reflecting above-national-average increases in all four major components, private service-type

payrolls increased 15.7 percent, comparing favorably with a 12.6-percent gain nationally. Transportation-communication-public utilities payrolls increased 16.5 percent, to \$5.7 billion. Trade payrolls increased 16.4 percent, to \$14.0 billion. Finance-insurance-real estate payroll, increased 14.9 percent, to \$3.8 billion. Services payrolls increased 14.6 percent, a gain ranking eighth among all States, to \$9.6 billion.

Construction payrolls increased by one-fourth from year to year, leading the Nation's gain by almost 4 percentage points. Mining payrolls increased 36.3 percent, Texas' largest payroll gain. The State's gain lagged the Nation's 59.5-percent gain; the latter gain reflected the return to work of coal miners in major coal-mining States following a strike in late 1977 and early 1978.

State and local government payrolls increased 11.1 percent, to \$7.8 billion. The State's gain, which was exceeded in only six States, led the national average gain by 5 percentage points. The Federal Government payroll increased 5.6 percent, to \$4.7 billion. The State's gain, which was the smallest registered by a major industry in Texas, lagged the Nation's gain by 2 percentage points.

Durables manufacturing payrolls increased 19.2 percent, outpacing the Nation's gain of 16.2 percent. Nondurables payrolls increased 7.9 percent, lagging the Nation's gain of 9.9 percent.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

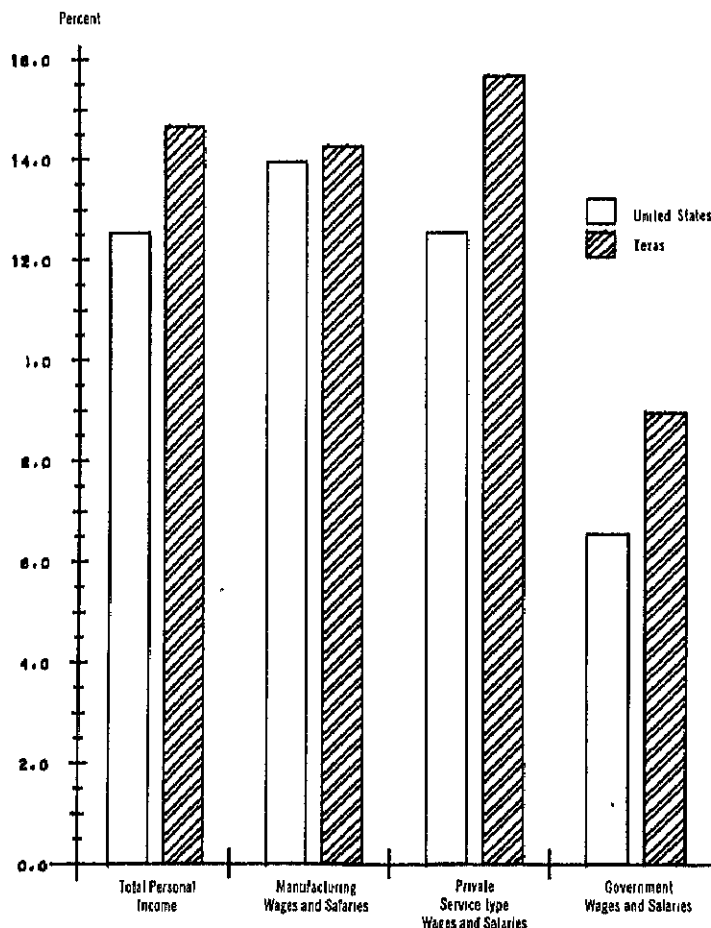


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

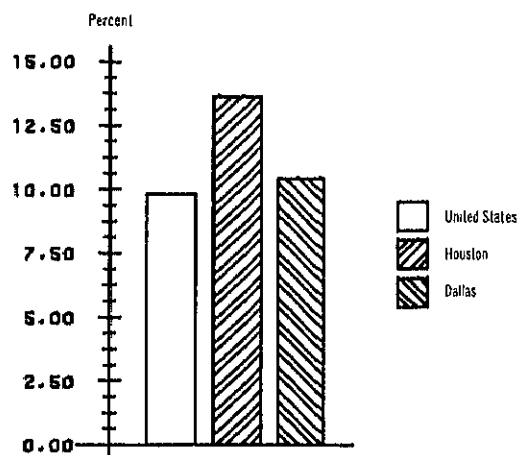


Chart 3.—Total Personal Income
[Seasonally adjusted]

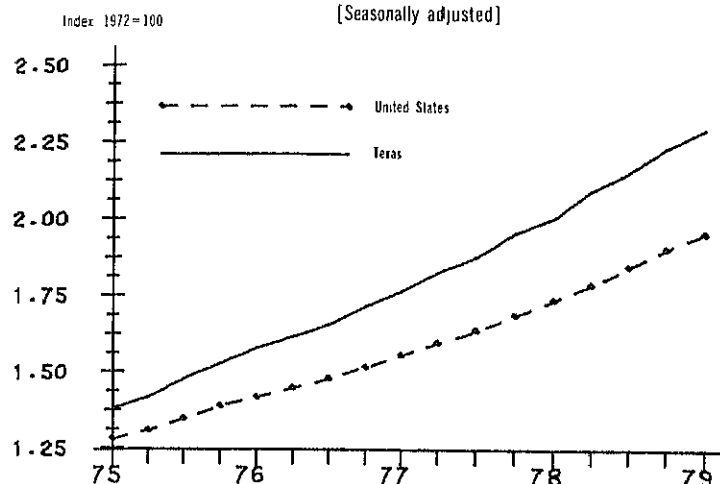


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

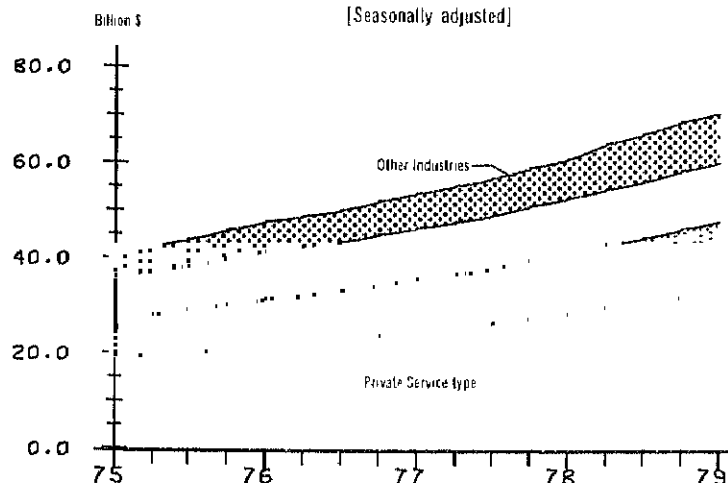


TABLE 2.—Personal Income, United States and Texas

	United States		Texas				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ^a						Percent change ^b			
Total personal income	1,624,665	1,829,515	92,152	94,452	105,549	108,316	12.6	14.5	12.6	14.7
Farm personal income	32,083	40,141	1,697	1,476	1,461	1,677	26.3	-13.9	25.1	13.7
Nonfarm personal income	1,592,582	1,789,374	90,455	92,976	104,088	106,639	12.3	15.1	12.4	14.7
Total personal income	1,624,665	1,829,515	92,152	94,452	105,549	108,316	12.6	14.5	12.6	14.7
Wage and salary disbursements	1,042,716	1,176,598	59,245	61,014	68,728	70,688	12.6	16.0	12.8	15.9
Other labor income	99,957	115,833	5,872	6,131	7,037	7,261	16.4	19.8	15.9	18.4
Proprietors' income	108,808	126,535	7,163	7,122	7,969	8,185	18.9	11.2	16.3	14.9
Farm	24,448	31,221	1,318	1,098	1,055	1,250	31.3	-20.0	27.7	13.9
Nonfarm	84,360	95,314	5,845	6,024	6,913	6,935	15.3	18.3	13.0	15.1
Dividends, interest, and rent	221,191	250,595	13,574	14,000	15,250	15,798	12.8	12.3	13.3	12.8
Transfer payments	219,202	238,794	10,075	10,269	11,092	11,298	8.2	10.1	8.9	10.0
State unemployment insurance benefits	9,997	8,023	192	165	150	117	-30.3	-21.8	-19.7	-29.5
Less personal contributions	66,792	78,351	3,568	3,836	4,238	4,619	15.1	18.8	17.3	20.4
Plus residence adjustment	-417	-489	-209	-248	-288	-294	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	59,245	61,014	68,728	70,688	12.6	16.0	12.8	15.9
Farm	7,215	8,422	369	368	395	416	10.6	7.1	16.7	13.1
Nonfarm	1,035,501	1,168,176	58,876	60,646	68,333	70,272	12.6	16.1	12.8	15.9
Mining	12,013	19,166	2,770	2,905	3,871	3,959	33.9	39.8	59.5	36.3
Construction	56,564	68,593	4,681	4,680	5,762	5,856	20.1	23.1	21.3	25.1
Manufacturing	285,735	325,636	12,408	12,782	14,257	14,612	13.3	14.9	14.0	14.3
Durable goods	182,321	211,944	7,110	7,274	8,357	8,671	15.2	17.5	16.2	19.2
Nondurable goods	103,414	113,692	5,299	5,508	5,900	5,941	10.0	11.4	9.9	7.9
Private service type	473,132	532,823	27,508	28,623	31,907	33,130	13.1	16.0	12.6	15.7
Transportation, communication, and public utilities	79,598	88,755	4,853	4,931	5,523	5,747	11.3	13.8	11.5	16.5
Wholesale and retail trade	177,331	201,608	11,537	12,051	13,465	14,028	14.1	16.7	13.7	16.4
Finance, insurance, and real estate	55,930	63,373	3,137	3,279	3,672	3,769	13.2	17.1	13.3	14.9
Services	160,273	179,087	7,981	8,362	9,246	9,587	12.7	15.8	11.7	14.6
Government	204,558	218,098	11,307	11,436	12,303	12,464	6.9	8.8	6.6	9.0
Federal	68,698	73,916	4,453	4,416	4,652	4,665	7.1	4.5	7.6	5.6
State and local	135,860	144,092	6,854	7,020	7,651	7,799	6.8	11.6	6.1	11.1
Other	3,499	3,950	201	220	234	251	14.6	16.1	12.9	14.3

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source U S Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Texas¹

	United States		Texas				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV		1978:I-- 1979:I	
Index, 1967=100, not seasonally adjusted						Percent change				
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Dallas	---	---	183.8	186.7	200.7	206.3	---	9.2	---	10.5
Houston	---	---	192.7	196.2	216.0	223.1	---	12.1	---	13.7

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2 Average for 85 representative urban areas based on the 1970 Census of Population.

Source U S Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Texas' civilian labor force increased 3.9 percent, 0.7 percentage point above the Nation's advance (table 4). Total employment increased 5.0 percent (from 5.6 million to 5.9 million), leading the 3.8-percent national average advance.

With employment increasing by 278,000 and the labor force increasing by 230,000, the number of unemployed declined by 48,000. The unemployment rate declined 1 percentage point, to 4.2 percent of the labor force in 1979:I. Nationally, the unemployment rate declined one-

half of a percentage point, to 6.3 percent. Only seven States registered lower unemployment rates than Texas in 1979:I.

Across the State, unemployment rates varied considerably. According to preliminary data for March 1979, unemployment rates ranged from 2.5 percent in Austin to 7.3 percent in El Paso; the preliminary State rate was 3.8 percent. The two largest metropolitan areas, Dallas-Fort Worth and Houston, registered rates of 3.0 and 2.9 percent, respectively.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Texas

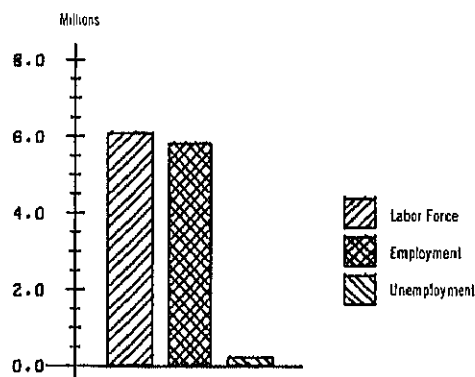


Chart 6.—Unemployment Rates, 1978:I—1979:I

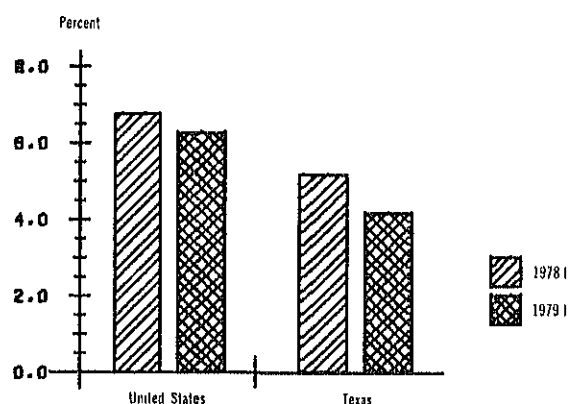


TABLE 4.—Labor Force, United States and Texas

	United States		Texas				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV	1978:I-- 1979:I		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	5,034	5,084	5,373	5,390	4.2	6.7	2.9	6.0
Mining	730	896	168	174	185	189	14.4	10.0	22.7	8.7
Construction	3,784	3,973	356	353	390	381	11.2	9.4	5.0	8.0
Manufacturing	20,064	20,652	910	930	975	984	3.6	7.2	2.9	5.8
Transportation, communication, and public utilities	4,779	4,943	312	317	341	344	4.4	9.2	3.4	8.4
Wholesale and retail trade	18,937	19,549	1,248	1,242	1,317	1,310	4.5	5.5	3.2	5.5
Finance, insurance, and real estate	4,601	4,790	281	284	301	303	5.2	7.1	4.1	6.8
Services	15,758	16,149	853	864	902	912	4.4	5.8	2.5	5.5
Government	15,435	15,648	905	919	962	966	1.4	6.2	1.4	5.1
Civilian labor force ³	98,106	101,260	5,880	5,890	6,088	6,119	3.1	3.5	3.2	3.9
Total employed	91,401	94,901	5,590	5,583	5,809	5,861	3.9	3.9	3.8	5.0
Total unemployed	6,705	6,360	290	307	278	259	-8.8	-4.1	-5.1	-15.8
Percent unemployed	6.8	6.3	4.9	5.2	4.6	4.2	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

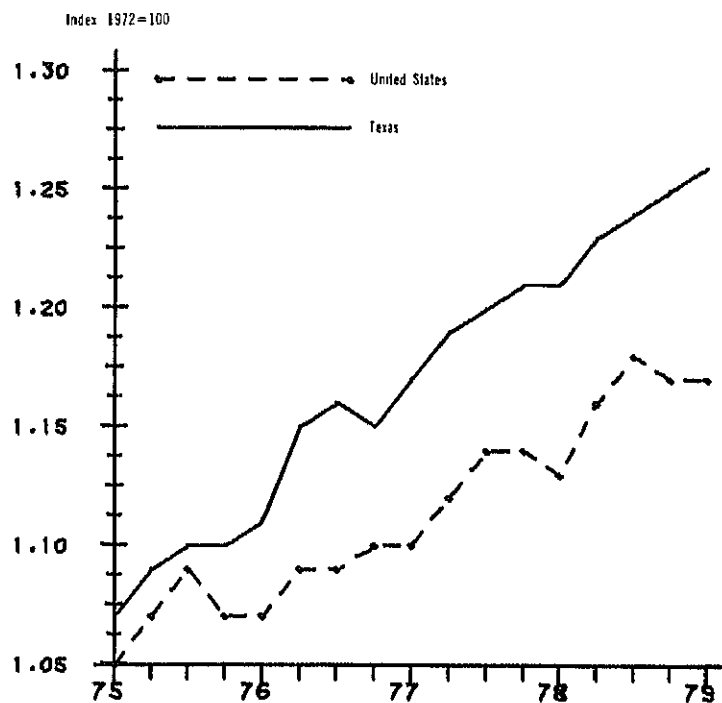


Chart 8.—Civilian Employment

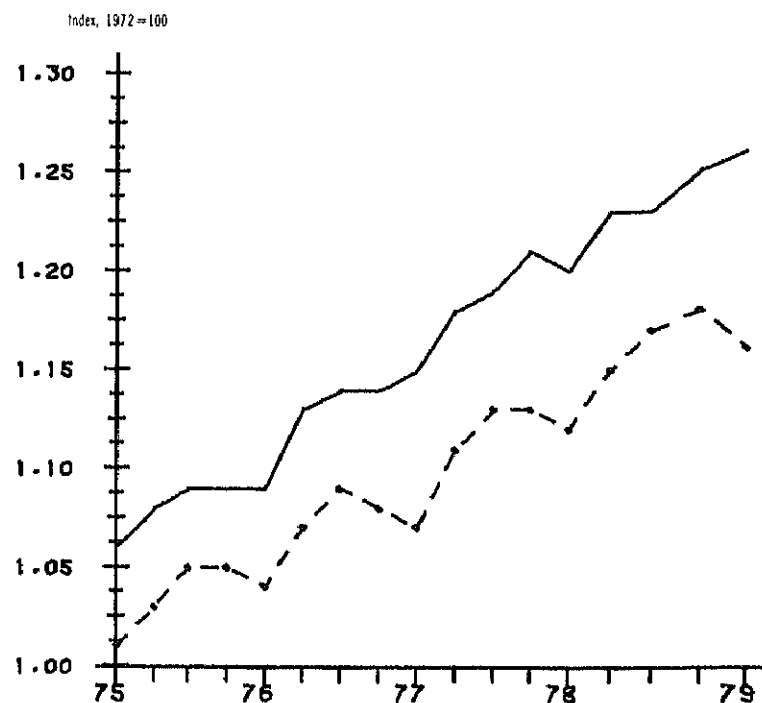


Chart 9.—Unemployment Rate

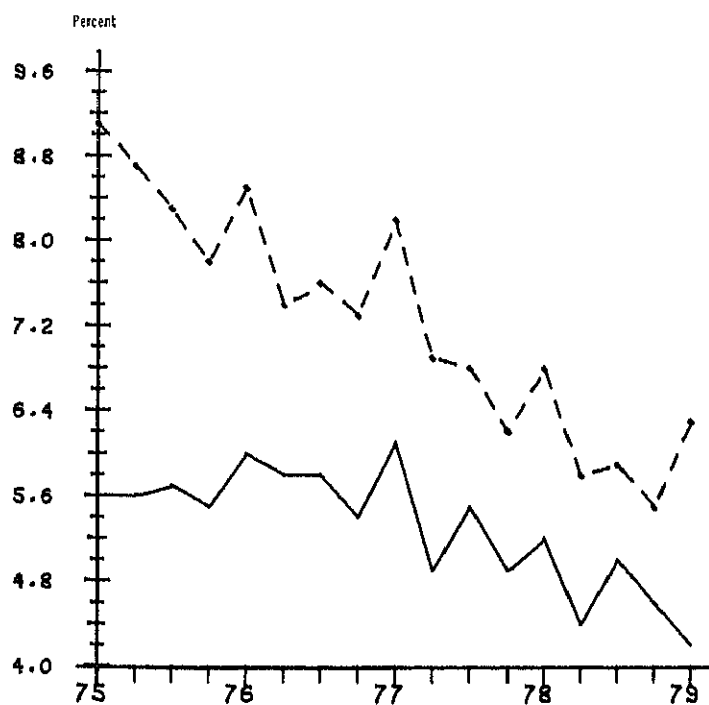
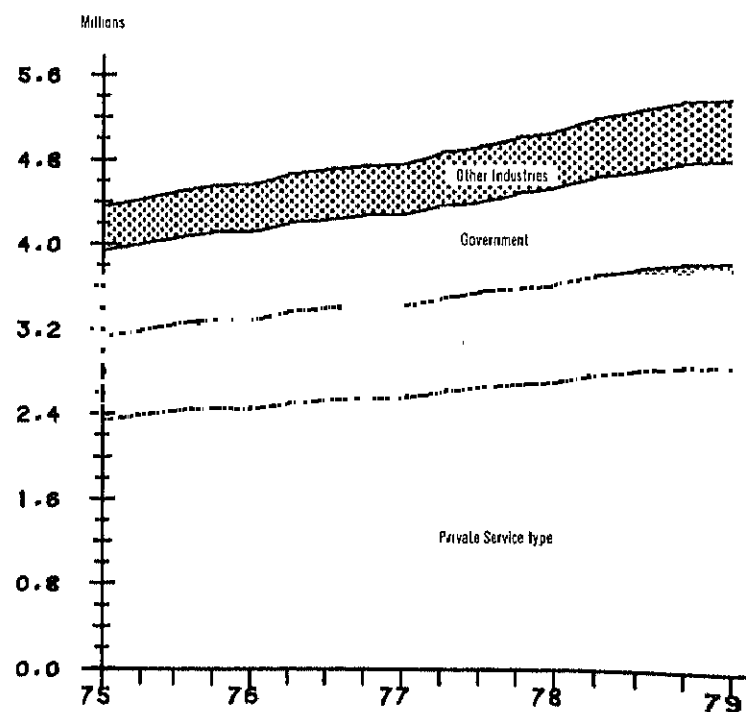


Chart 10.—Industrial Composition of Nonagricultural Employment: Texas



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Texas

	United States		Texas				U S	State	U S	State
	1978 I	1979.I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	36,605	38,228	44,515	n.a.	15.6	21.6	---	---
Commercial and industrial	202,241	n.a.	14,327	15,285	17,355	n.a.	13.3	21.1	---	---
Loans to individuals	143,356	n.a.	9,302	9,628	11,194	n.a.	18.7	20.3	---	---
Real estate	183,599	n.a.	7,197	7,588	9,315	n.a.	19.6	29.4	---	---
Residential	104,830	n.a.	2,022	2,156	2,741	n.a.	22.1	35.5	---	---
Farms	7,919	n.a.	444	472	494	n.a.	9.6	11.3	---	---
Other	70,851	n.a.	4,731	4,960	6,080	n.a.	17.0	28.5	---	---
Farms, excluding real estate	25,440	n.a.	1,924	1,915	2,207	n.a.	9.5	14.7	---	---
Other	64,581	n.a.	3,855	3,812	4,444	n.a.	7.9	15.3	---	---
Total deposits	911,772	n.a.	60,275	60,818	67,940	n.a.	9.3	12.7	---	---
Demand	344,245	n.a.	27,452	25,456	29,530	n.a.	5.6	7.6	---	---
Time and savings	567,527	n.a.	32,824	35,363	38,411	n.a.	11.9	17.0	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans rose 21.6 percent in Texas from 1977:IV to 1978:IV, leading the national increase by 6 percentage points and ranking fifth among all State increases (table 5). All three major types of loans registered increases that led those of national counterparts and that were among the largest State increases in the Nation. Real estate loans rose 29.4 percent, compared with a 19.6-percent national increase, to \$9.3 billion.

Commercial and industrial loans rose 21.1 percent, leading the national increase of 13.3 percent, to \$17.4 billion. Loans to individuals rose 20.3 percent, almost 2.0 percentage points above the Nation's increase, to \$11.2 billion.

Total deposits rose 12.7 percent versus 9.3 percent nationally; both types of deposits registered increases that led those of national counterparts. Time and savings deposits rose 17.0 percent, to \$38.4 billion, and demand deposits rose 7.6 percent, to \$29.5 billion.

Construction

The total valuation of contracts rose only 8.1 percent from 1978:I to 1979:I, to \$4.0 billion (table 6). The gain in Texas lagged the Nation's average gain by over 11 percentage points. In 1978:I, \$400 million and \$110 million contracts for the construction of chemical plants in Brazoria and Harris Counties, respectively, raised the State's total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. It should be noted, however, that a \$200 million contract in 1979:I for the construction of an additional chemical plant in Harris County somewhat offset the distorting effect of the two large 1978:I contracts. Nevertheless, if all three contracts are excluded, the total valuation of contracts in Texas would have increased 19.2 percent from year to year, only 0.6 percentage point less than nationally.

Construction costs rose about 14 percent nationally from year to year; if this national rise reflects the cost advance throughout Texas, the real valuation of contracts in the State (including the three large contracts) declined about 6 percent versus a national gain of about 6 percent.

The valuation of residential housekeeping contracts declined 10.5 percent, to \$1.4 billion, compared with a national increase of 11.8

percent. The percentage decline in Texas was exceeded by declines in only three other States. Utah, Louisiana, and Missouri. A decline in the valuation of residential housekeeping contracts in Harris County was partially responsible for the State's decline. The number of dwelling units started in the State declined 10.7 percent, from 47,000 in 1978:I to 42,000 in 1979:I, in sharp contrast to the Nation's 2.6-percent average gain.

Primarily reflecting the three chemical plant contracts, nonresidential contracts rose only 15.0 percent in valuation from year to year, to \$1.5 billion, compared with 28.0 percent nationally.

Additions and alterations to residential housekeeping units rose 23.7 percent in valuation statewide, to \$411 million, leading the Nation's gain by over 6 percentage points.

The valuation of nonbuilding contracts rose 35.0 percent, to \$572 million, outpacing the national average gain of 23.7 percent. Street and highway contracts, a major component of nonbuilding contracts, rose 60.3 percent in valuation, to \$277 million, and marginally lagged the Nation's 61.2-percent gain.

Chart 14.—Construction Contracts—Total Valuation

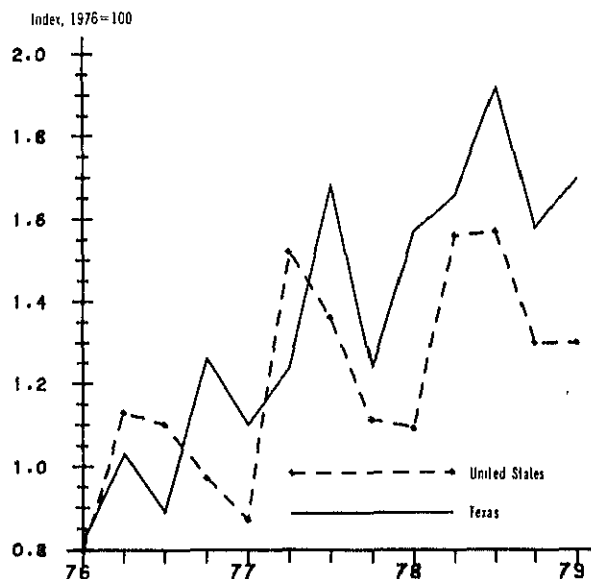


Chart 15.—Construction Contracts—Valuation of Contracts by Type:

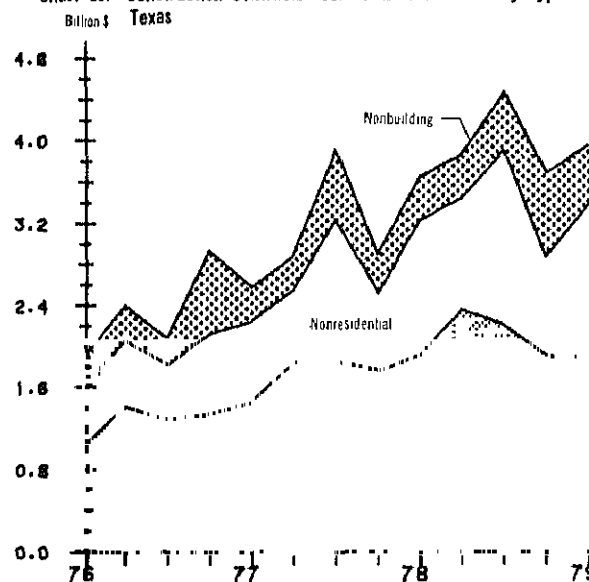


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

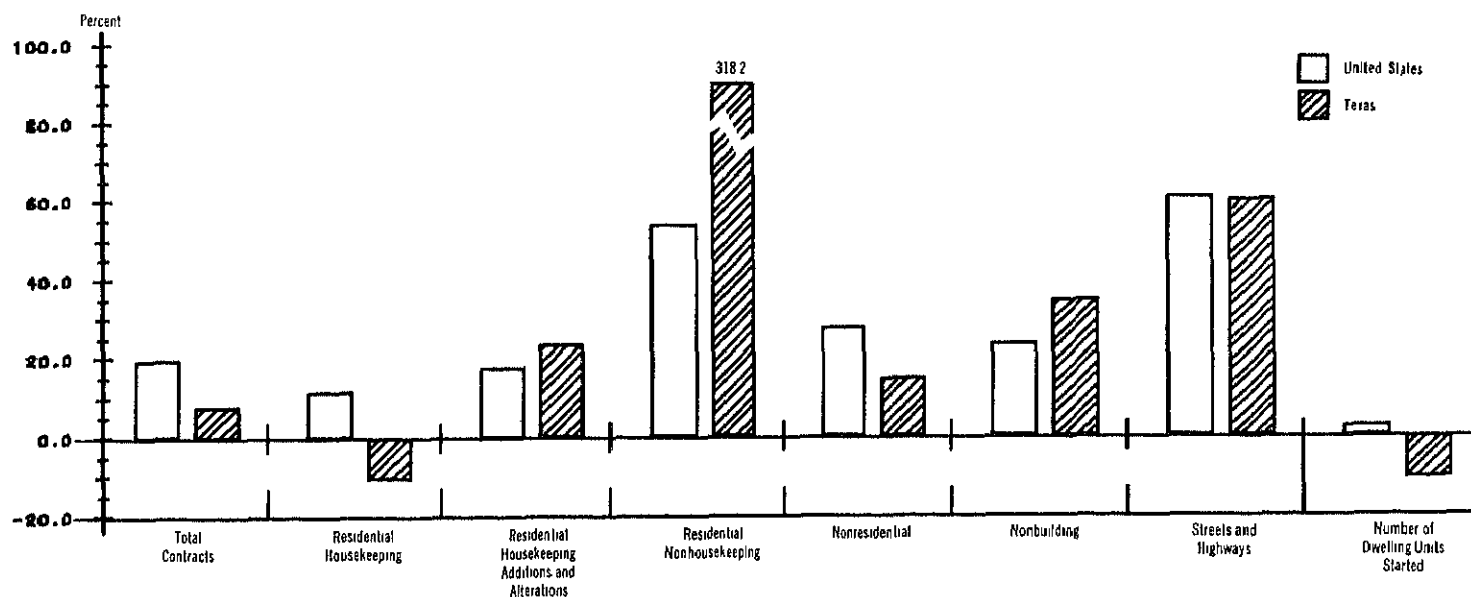


TABLE 6.—Construction Contracts, United States and Texas¹

	United States		Texas				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
Not seasonally adjusted							Percent change ¹			
Total valuation of contracts	38,107,230	45,638,147	2,903,864	3,666,789	3,696,739	3,963,217	16.8	27.3	19.8	8.1
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	387,648	332,661	486,710	411,344	14.6	25.6	17.9	23.7
All other contracts										
Number of contracts	53,028	53,454	4,754	4,698	4,265	4,347	-9.3	-10.3	8	-7.5
Valuation (thousands of dollars)	32,202,931	38,675,376	2,516,216	3,334,128	3,210,029	3,551,873	17.3	27.6	20.1	6.5
Floor area (thousands of square feet)	807,538	904,811	87,019	96,830	93,407	102,484	10.3	7.3	12.0	5.8
Residential housekeeping										
Number of contracts	13,592	14,399	1,104	1,039	959	1,021	-4.3	-13.1	5.9	-1.7
Number of dwelling units	404,171	414,826	45,394	46,884	34,021	41,859	-2	-25.1	2.6	-10.7
Valuation (thousands of dollars)	13,806,696	15,431,523	1,357,877	1,586,681	1,363,563	1,420,651	15.6	4	11.8	-10.5
Floor area (thousands of square feet)	546,445	571,860	57,752	68,899	55,795	58,424	10.7	-3.4	4.7	-15.2
Residential nonhousekeeping										
Number of contracts	441	464	24	25	41	32	-4	70.8	5.2	28.0
Valuation (thousands of dollars)	327,201	504,158	18,850	12,152	63,183	50,816	54.9	235.2	54.1	318.2
Floor area (thousands of square feet)	8,179	11,483	552	369	1,388	1,262	34.7	151.4	40.4	242.3
Nonresidential										
Number of contracts	25,282	23,514	2,654	2,535	2,290	2,224	-12.0	-13.7	-7.0	-12.3
Valuation (thousands of dollars)	9,056,146	11,595,243	756,824	1,311,380	964,938	1,508,322	16.3	27.5	28.0	15.0
Floor area (thousands of square feet)	252,915	321,468	28,714	27,562	36,225	42,799	8.7	26.2	27.1	55.3
Nonbuilding										
Number of contracts	13,713	15,077	972	1,099	975	1,070	-9.1	3	9.9	-2.6
Valuation (thousands of dollars)	9,012,888	11,144,452	382,665	423,915	818,345	572,084	20.6	113.9	23.7	35.0
Streets and Highways										
Number of contracts	3,989	4,750	232	292	235	317	-17.8	1.3	19.1	8.6
Valuation (thousands of dollars)	1,399,453	2,255,221	194,585	172,499	173,106	276,531	-18.1	-11.0	61.2	60.3

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Texas totaled \$12.7 billion in 1979:I, up 16.0 percent increase (table 7). In 1979:I, nondurable goods accounted for over \$7.9 billion of retail sales, and durable goods accounted for over \$4.8 billion, (\$1.8 billion) since 1978:I, compared with a 15.8-percent national

TABLE 7.—Retail Sales, United States and Texas

	United States		Texas				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	12,428	10,980	13,971	12,741	11.2	12.4	15.8	16.0
Durable goods	55,388	68,203	n a	n a	4,852	4,817	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n a	n a	9,119	7,924	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

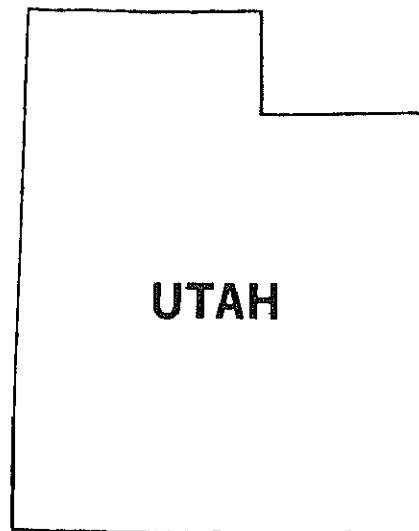
TABLE 8.—Business Incorporations and Failures, United States and Texas

	United States		Texas				U S	State	U S	State
	1978 I	1979 I	1977.IV	1978 I	1978.IV	1979 I	1977 IV-- 1978 IV	1978 I-- 1979 I		
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	5,888	6,871	8,226	n.a.	13.2	39.7	---	---
Total number of business failures	1,729	n.a.	101	79	136	n.a.	-4.9	34.7	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	34,952	30,119	52,078	n.a.	13.7	49.0	---	---
Average liability per failure (thousands of dollars)	404	n.a.	346	381	383	n.a.	19.4	10.7	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	21	11	23	n.a.	6.0	9.5	---	---
Construction	279	n.a.	14	16	36	n.a.	-8.2	157.1	---	---
Wholesale trade	205	n.a.	12	18	13	n.a.	-6.3	8.3	---	---
Retail trade	769	n.a.	39	30	47	n.a.	-4	20.5	---	---
Commercial services	205	n.a.	15	4	21	n.a.	-23.5	40.0	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

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Highlights

1978:I to 1979:I

Personal income

- Up 16.0% vs. 12.6% in U.S., to \$9.5 billion
- Manufacturing payrolls up 27.8% vs. 14.0% in U.S.
- Government payrolls up 10.2% vs. 6.6% in U.S.

Employment

- Up 5.8% vs. 3.8% in U.S., to 528,000

Unemployment

- Down 1,000, to 23,000
- Rate down 0.5 percentage point, to 4.2% of labor force vs. 6.3% in U.S.

Construction

- Total valuation of contracts up 17.8% vs. 19.8% in U.S., to \$332 million
- Valuation of nonresidential contracts up 7.7% vs. 28.0% in U.S., to \$73 million
- Number of dwelling-unit starts down 29.9% vs. 2.6% gain in U.S., to 3,542

TABLE 1.—Summary of Economic Indicators, United States and Utah

	United States		Utah				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I		
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	7,923	8,168	9,157	9,477	12.6	15.6	12.6	16.0
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	5,365	5,559	6,283	6,559	12.6	17.1	12.8	18.0
Civilian employment (thousands)	91,401	94,901	510	498	533	528	3.9	4.5	3.8	5.8
Unemployment (thousands)	6,705	6,360	25	24	21	23	-8.8	-14.9	-5.1	-3.8
Percent unemployed (unemployment/labor force)	6.8	6.3	4.7	4.7	3.8	4.2	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	3,107	3,270	3,572	n.a.	15.6	15.0	---	---
Total deposits (millions of dollars)	911,772	n.a.	4,375	4,391	4,951	n.a.	9.3	13.2	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	318,497	281,506	359,871	331,650	16.8	13.0	19.8	17.8
Dwelling units started (number)	404,171	414,826	4,543	5,056	4,074	3,542	-2	-10.3	2.6	-29.9
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	912	1,015	991	n.a.	13.2	8.7	---	---
Business failures (number)	1,729	n.a.	0	0	2	n.a.	-4.9	---	---	---
Consumer Price Index (1967=100) U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n.a. Data not available.

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 16.0 percent from 1978:I to 1979:I, outpacing the Nation's gain by 3.4 percentage points (table 2). Utah's gain was exceeded in only seven States, including four that are contiguous with Utah (Wyoming, Arizona, Idaho, and Nevada). In 1979:I, Utah's personal income totaled \$9.5 billion, up \$1.3 billion since 1978:I.

Wage and salary disbursements (payrolls) increased 18.0 percent from year to year, leading the Nation's gain of 12.8 percent. Reflecting strong advances in both manufacturing components, manufacturing payrolls increased 27.8 percent, the largest gain in the Nation, to \$1.2 billion. Durables manufacturing payrolls increased 32.2 percent, a gain second only to Kansas'. Nondurables payrolls increased 17.0 percent, a gain ranking fifth among all States.

Private service-type payrolls increased 16.2 percent; three of the four major industries registered gains that led those of national counterparts. Transportation-communication-public utilities payrolls increased 19.6 percent, to \$582 million. Trade payrolls, the State's largest, increased 17.6 percent, to \$1.2 billion. Services payrolls increased 13.5 percent, to \$832 million.

Government payrolls increased 10.2 percent; both components registered gains that led those of national counterparts. State and local government payrolls increased 11.2 percent, a gain exceeded in only five States. Federal Government payrolls increased 9.0 percent, the smallest payroll gain in Utah.

Mining payrolls increased 47.6 percent, Utah's largest payroll gain from year to year. The State's gain lagged the Nation's 59.5-percent gain; the latter gain reflected the return to work of coal miners in many major coal mining States following a strike in late 1977 and early 1978. Construction payrolls increased by only one-sixth from 1978:I to 1979:I, lagging the Nation's 21.3-percent gain.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

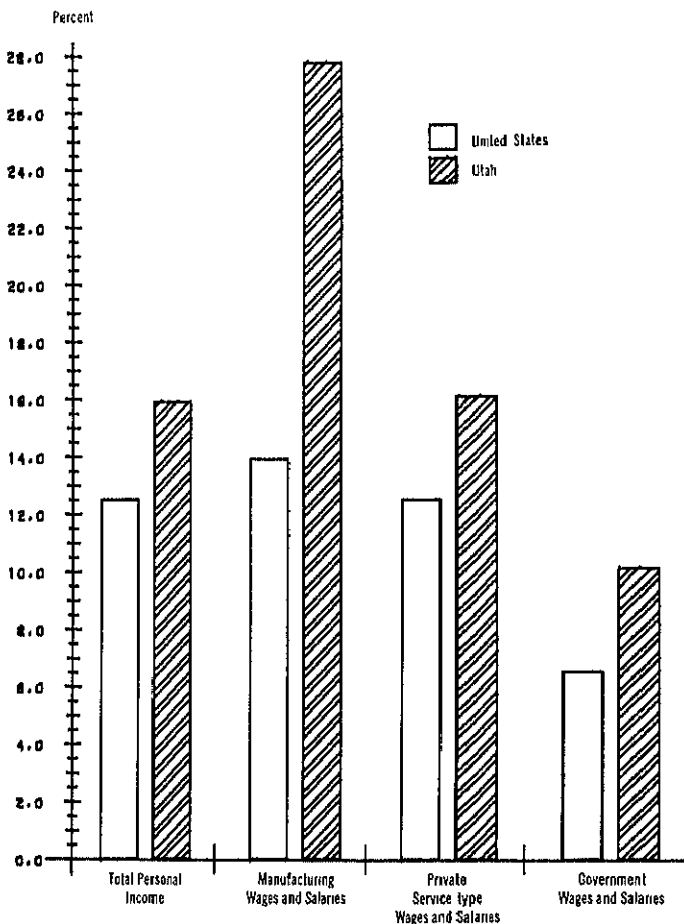


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

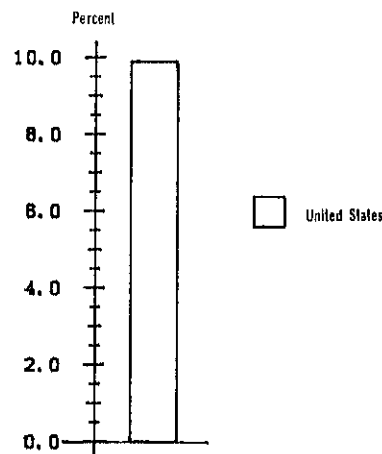


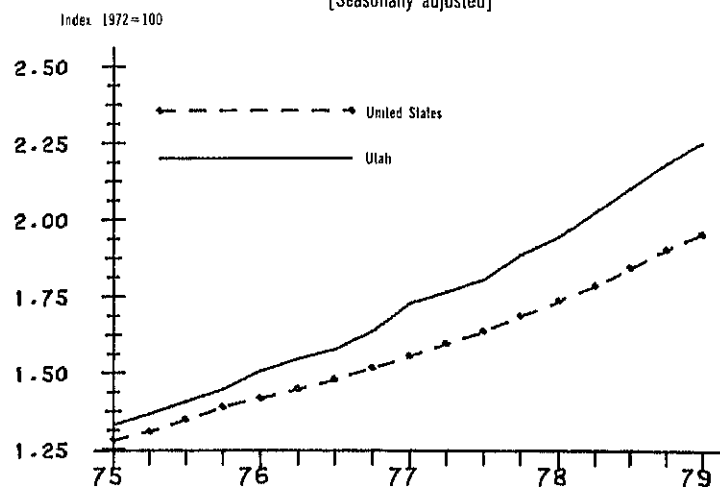
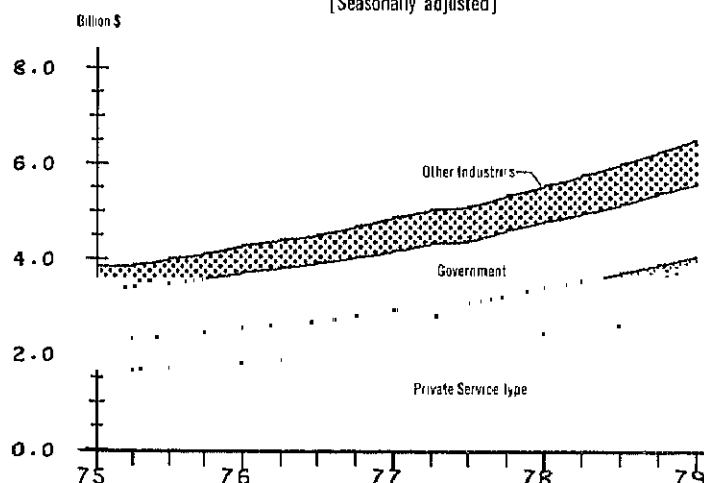
Chart 3.—Total Personal Income
[Seasonally adjusted]Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

TABLE 2.—Personal Income, United States and Utah

	United States		Utah				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978-IV	1979 I	1977 IV-- 1978 IV		1978 I-- 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	7,923	8,168	9,157	9,477	12.6	15.6	12.6	16.0
Farm personal income	32,083	40,141	113	109	119	119	26.3	4.8	25.1	9.8
Nonfarm personal income	1,592,582	1,789,374	7,810	8,059	9,038	9,358	12.3	15.7	12.4	16.1
Total personal income	1,624,665	1,829,515	7,923	8,168	9,157	9,477	12.6	15.6	12.6	16.0
Wage and salary disbursements	1,042,716	1,176,598	5,365	5,559	6,283	6,559	12.6	17.1	12.8	18.0
Other labor income	99,957	115,833	471	488	576	603	16.4	22.3	15.9	23.7
Proprietors' income	108,808	126,535	503	519	565	573	18.9	12.3	16.3	10.4
Farm	24,448	31,221	84	80	88	86	31.3	3.8	27.7	8.4
Nonfarm	84,360	95,314	419	440	478	487	15.3	14.0	13.0	10.8
Dividends, interest, and rent	221,191	250,595	979	1,010	1,106	1,147	12.8	13.1	13.3	13.5
Transfer payments	219,202	238,794	949	962	1,039	1,054	8.2	9.6	8.9	9.5
State unemployment insurance benefits	9,997	8,023	42	35	36	28	-30.3	-14.9	-19.7	-19.9
Less personal contributions	66,792	78,351	345	374	415	462	15.1	20.2	17.3	23.6
Plus residence adjustment	-417	-489	2	3	3	3	--	--	--	--
Wage and salary disbursements	1,042,716	1,176,598	5,365	5,559	6,283	6,559	12.6	17.1	12.8	18.0
Farm	7,215	8,422	29	28	31	32	10.6	7.4	16.7	13.3
Nonfarm	1,035,501	1,168,176	5,337	5,531	6,252	6,527	12.6	17.2	12.8	18.0
Mining	12,013	19,166	249	232	328	342	33.9	31.6	59.5	47.6
Construction	56,564	68,593	434	478	504	557	20.1	16.1	21.3	16.5
Manufacturing	285,735	325,636	946	947	1,161	1,210	13.3	22.8	14.0	27.8
Durable goods	182,321	211,944	678	670	835	886	15.2	23.2	16.2	32.2
Nondurable goods	103,414	113,692	267	277	326	324	10.0	21.9	9.9	17.0
Private service type	473,132	532,823	2,352	2,486	2,752	2,888	13.1	17.0	12.6	16.2
Transportation, communication, and public utilities	79,598	88,755	473	487	550	582	11.3	16.3	11.5	19.6
Wholesale and retail trade	177,331	201,608	943	1,009	1,142	1,187	14.1	21.1	13.7	17.6
Finance, insurance, and real estate	55,930	63,373	238	256	276	287	13.2	15.7	13.3	11.8
Services	160,273	179,087	698	733	785	832	12.7	12.5	11.7	13.5
Government	204,558	218,008	1,347	1,379	1,496	1,520	6.9	11.1	6.6	10.2
Federal	68,698	73,916	621	626	669	683	7.1	7.9	7.6	9.0
State and local	135,860	144,092	726	753	827	837	6.8	13.9	6.1	11.2
Other	3,499	3,950	8	9	10	10	14.6	14.8	12.9	13.0

1 Detail may not add to totals because of rounding.

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Utah¹

	United States		Utah				U S	State	U S	State
	1978.I	1979:I	1977 IV	1978:I	1978:IV	1979:I	1977.IV— 1978 IV		1978.I— 1979 I	
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2 Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Utah's civilian labor force increased 5.4 percent, an advance that was larger in only four States and that was well above the Nation's 3.2-percent advance (table 4). Total employment increased 5.8 percent, from 498,000 to 528,000. The rate of gain was higher in only Wyoming, Arizona, and New Jersey and was 2 percentage points above the national average advance.

With employment increasing by 30,000 and the labor force increasing by 29,000, the number of unemployed declined by 1,000. The unemployment

rate declined one-half of a percentage point, to 4.2 percent of the labor force in 1979:I. The national unemployment rate also declined one-half of a percentage point, to 6.3 percent. Utah's unemployment rate in 1979:I was the seventh lowest in the Nation.

Preliminary data for March 1979 show an unemployment rate of 3.7 percent in the Salt Lake City-Ogden metropolitan area, which accounted for 66 percent of the total labor force in Utah. The preliminary State rate was 3.8 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Utah

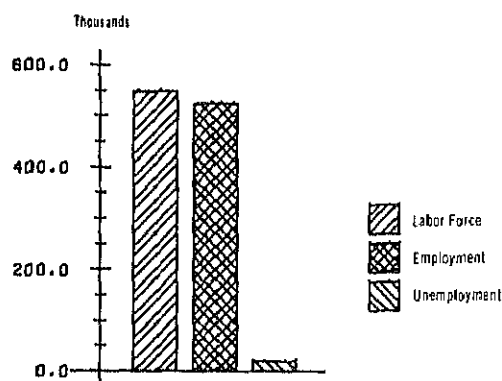


Chart 6.—Unemployment Rates, 1978:I—1979:I

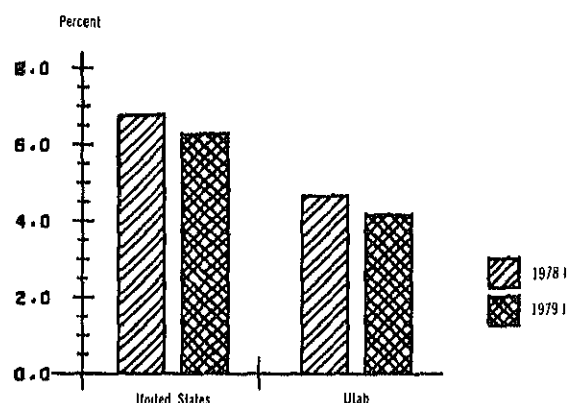


TABLE 4.—Labor Force, United States and Utah

	United States		Utah				U S	State	U S	State
	1978 I	1979 I	1977.IV	1978:I	1978 IV	1979 I	1977:IV— 1978:IV		1978:I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	507	503	546	543	4.2	7.6	2.9	8.0
Mining	730	896	15	14	17	17	14.4	11.2	22.7	26.7
Construction	3,784	3,973	34	30	37	32	11.2	8.3	5.0	7.0
Manufacturing	20,064	20,652	77	76	83	83	3.6	8.0	2.9	9.7
Transportation, communication, and public utilities	4,779	4,943	30	30	33	33	4.4	9.9	3.4	10.0
Wholesale and retail trade	18,937	19,549	124	121	134	131	4.5	8.3	3.2	7.5
Finance, insurance, and real estate	4,601	4,790	23	23	25	25	5.2	9.1	4.1	8.6
Services	15,758	16,149	86	88	94	97	4.4	9.4	2.5	9.3
Government	15,435	15,648	118	120	123	125	1.4	3.9	1.4	4.2
Civilian labor force ³	98,106	101,260	535	523	554	551	3.1	3.6	3.2	5.4
Total employed	91,401	94,901	510	498	533	528	3.9	4.5	3.8	5.8
Total unemployed	6,705	6,360	25	24	21	23	-8.8	-14.9	-5.1	-3.8
Percent unemployed	6.8	6.3	4.7	4.7	3.8	4.2	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

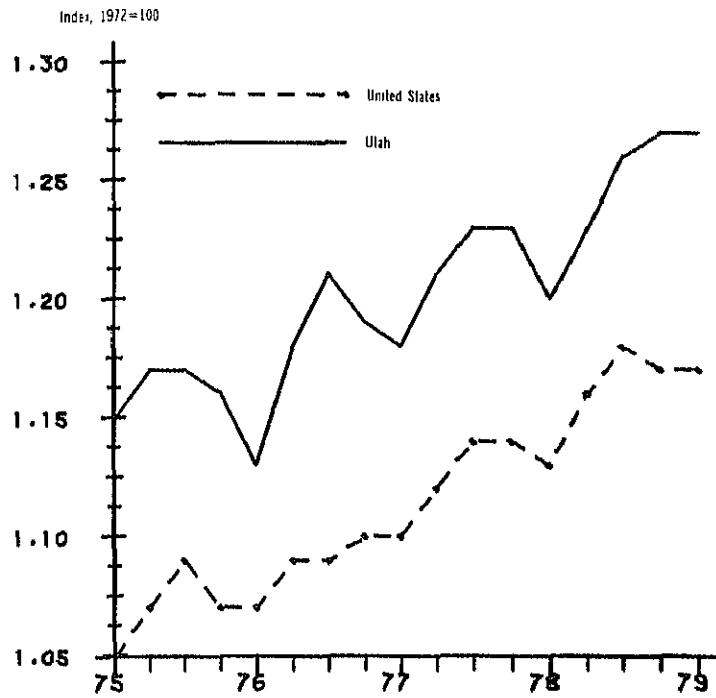


Chart 8.—Civilian Employment

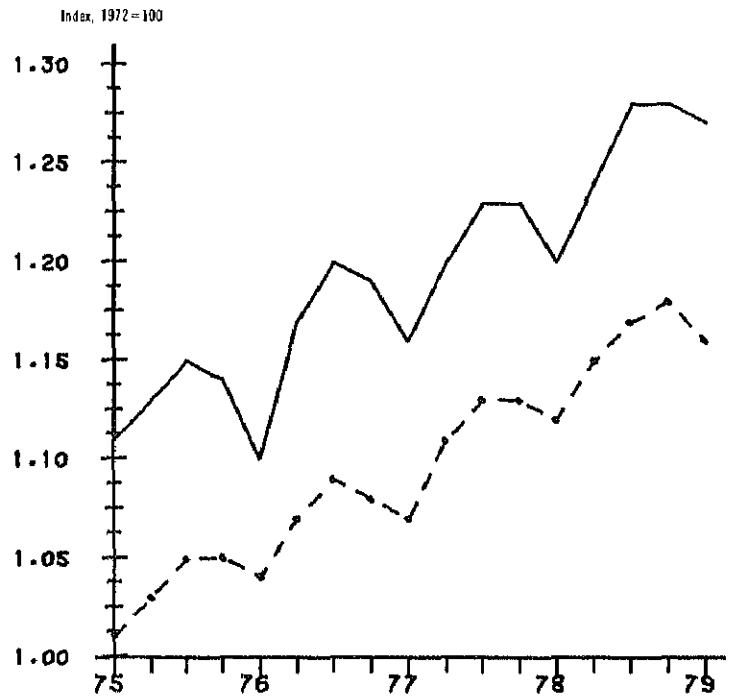


Chart 9.—Unemployment Rate

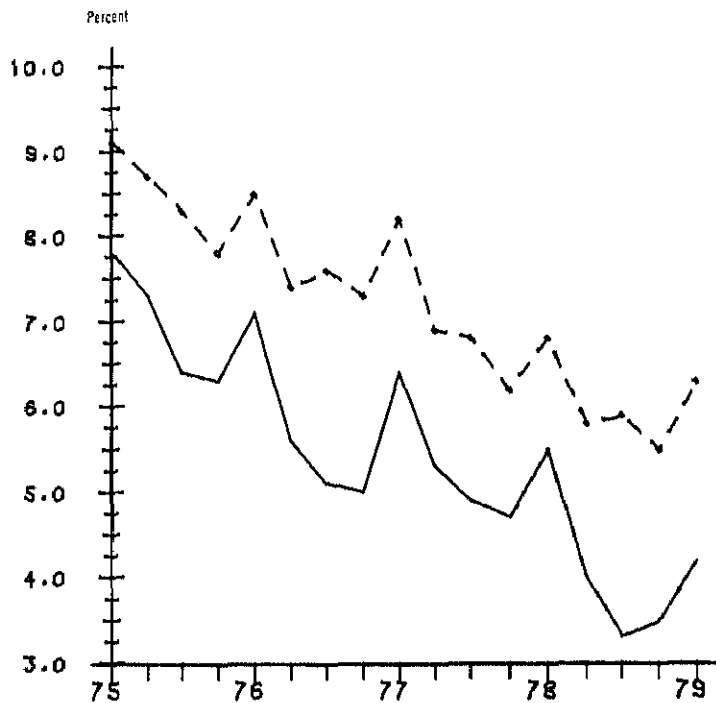
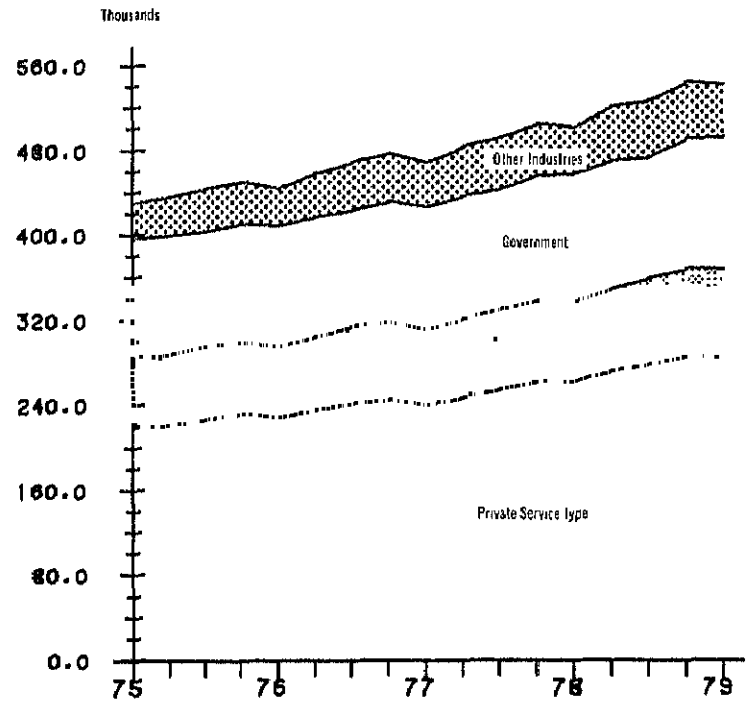


Chart 10.—Industrial Composition of Nonagricultural Employment: Utah



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Utah

	United States		Utah				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978.IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	3,107	3,270	3,572	n.a.	15.6	15.0	---	---
Commercial and industrial	202,241	n.a.	968	1,048	1,061	n.a.	13.3	9.6	---	---
Loans to individuals	143,356	n.a.	754	763	871	n.a.	18.7	15.5	---	---
Real estate	183,599	n.a.	1,134	1,196	1,373	n.a.	19.6	21.1	---	---
Residential	104,830	n.a.	594	647	730	n.a.	22.1	22.8	---	---
Farms	7,919	n.a.	19	20	29	n.a.	9.6	49.3	---	---
Other	70,851	n.a.	520	529	615	n.a.	17.0	18.2	---	---
Farms, excluding real estate	25,440	n.a.	108	103	106	n.a.	9.5	-1.4	---	---
Other	64,581	n.a.	143	161	160	n.a.	7.9	11.5	---	---
Total deposits	911,772	n.a.	4,375	4,391	4,951	n.a.	9.3	13.2	---	---
Demand	344,245	n.a.	1,645	1,485	1,747	n.a.	5.6	6.2	---	---
Time and savings	567,527	n.a.	2,729	2,906	3,204	n.a.	11.9	17.4	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans rose 15.0 percent in Utah from 1977:IV to 1978:IV, marginally lagging the Nation's 15.6-percent increase (table 5). Commercial and industrial loans rose 9.6 percent, lagging the national average increase of 13.3 percent, to \$1.1 billion. Loans to individuals rose 15.5 percent, more than 3.0 percentage points less than the Nation's increase, to \$871 million. Real estate loans rose 21.1 percent, leading the 19.6-percent national average increase, to \$1.4 billion.

Total deposits rose 13.2 percent, almost 4 percentage points above the Nation's increase. Time and savings deposits rose 17.4 percent, outpacing the national 11.9-percent increase and ranking sixth among all State increases, to \$3.2 billion. Demand deposits rose 6.2 percent, marginally leading the Nation's 5.6-percent increase, to \$1.7 billion.

Construction

The total valuation of contracts in Utah rose 17.8 percent from 1978:I to 1979:I, to \$332 million (table 6). Utah's percentage gain lagged the Nation's gain by 2 percentage points. National construction costs rose about 14 percent during the same timespan, if this rise reflects the cost advance throughout Utah, the real valuation of contracts rose about 4 percent in the State versus about 6 percent nationally.

The valuation of residential housekeeping contracts declined 12.3 percent, a decline that was exceeded only in Louisiana and Missouri. Residential housekeeping was the only major construction market in the State that declined in valuation; the decline was in sharp contrast with the Nation's 11.8-percent average gain. The number of dwelling units started declined sharply, from just over 5,000 in 1978:I to 3,500 in 1979:I; nationally, a 2.6-percent gain was registered.

The valuation of nonresidential contracts rose 7.7 percent (to \$73.3 million), a rate less than one-third of the Nation's.

The valuation of nonbuilding contracts rose more than fourfold, compared with a national gain of 23.7 percent. Utah's gain was exceeded in only four States and was mainly due to a \$46 million contract in 1979:I for the construction of roadways in Salt Lake County. This contract raised the level of street and highway contracts to \$62 million.

The valuation of additions and alterations to residential housekeeping units rose 35.3 percent, to \$44 million. The gain compared favorably with the Nation's 17.9-percent gain and ranked fifth among all State gains.

Chart 14.—Construction Contracts—Total Valuation

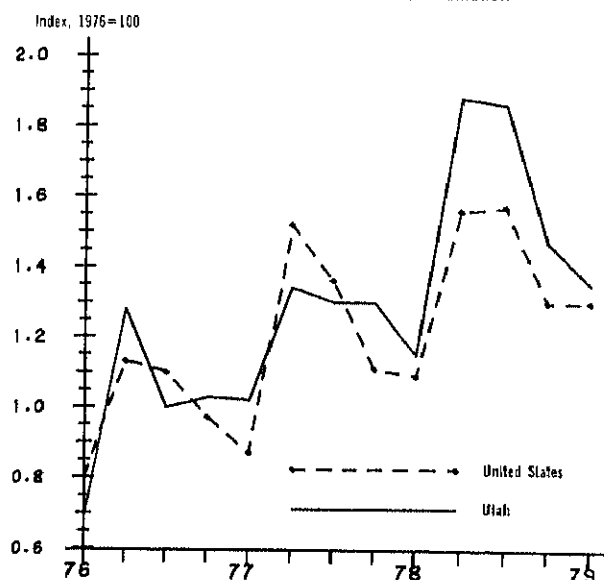


Chart 15.—Construction Contracts—Valuation of Contracts by Type:

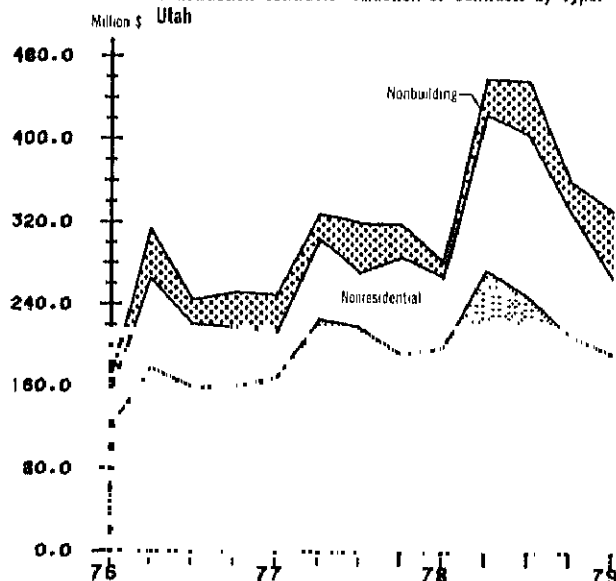


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

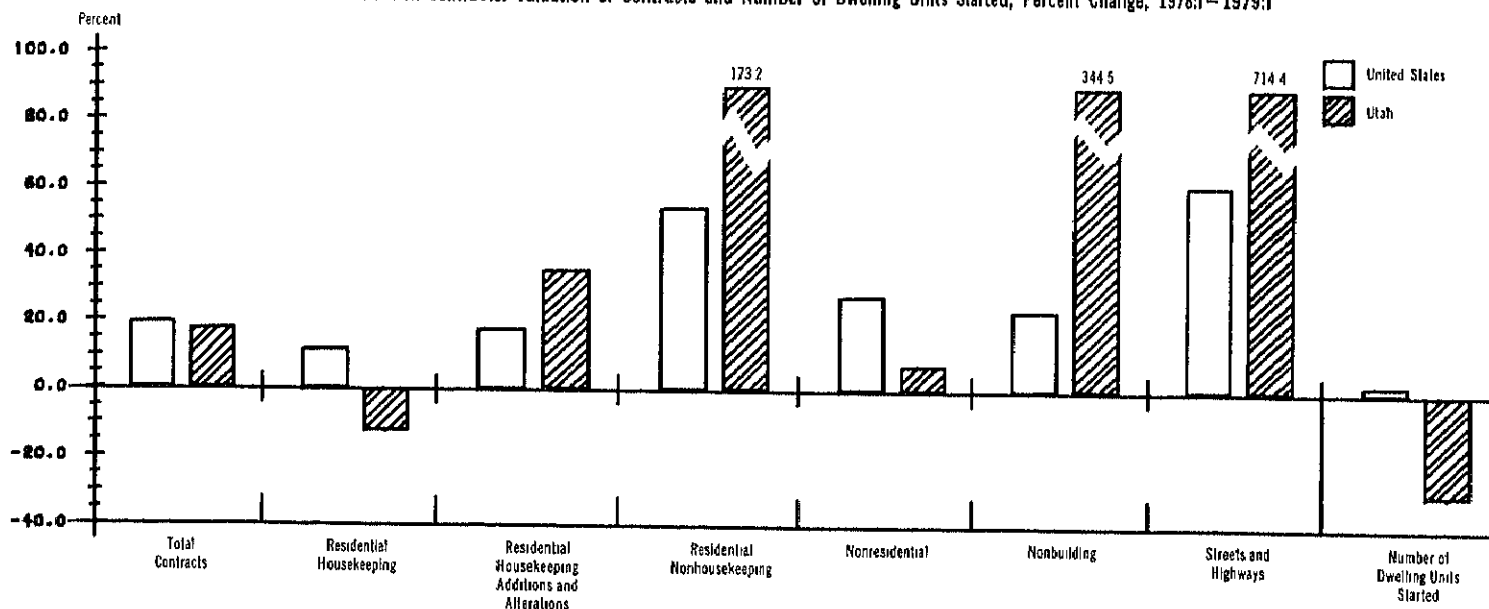


TABLE 6.—Construction Contracts, United States and Utah¹

	United States		Utah				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	318,497	281,506	359,871	331,650	16.8	13.0	19.8	17.8
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	41,632	32,478	53,949	43,950	14.6	29.6	17.9	35.3
All other contracts										
Number of contracts	53,028	53,454	371	319	317	305	-9.3	-14.6	8	-4.4
Valuation (thousands of dollars)	32,202,931	38,675,376	276,865	249,028	305,922	287,700	17.3	10.5	20.1	15.5
Floor area (thousands of square feet)	807,538	904,811	8,524	8,683	8,716	7,077	10.3	2.3	12.0	-18.5
Residential housekeeping										
Number of contracts	13,592	14,399	115	118	115	116	-4.3	0	5.9	-1.7
Number of dwelling units	404,171	414,826	4,543	5,056	4,074	3,542	-2	-10.3	2.6	-29.9
Valuation (thousands of dollars)	13,806,696	15,431,523	147,231	164,559	156,164	144,267	15.6	6.1	11.8	-12.3
Floor area (thousands of square feet)	546,445	571,860	5,704	6,466	5,739	5,110	10.7	6	4.7	-21.0
Residential nonhousekeeping										
Number of contracts	441	464	3	3	2	4	-4	-33.3	5.2	33.3
Valuation (thousands of dollars)	327,201	504,158	3,863	1,637	535	4,472	54.9	-86.2	54.1	173.2
Floor area (thousands of square feet)	8,179	11,483	104	57	3	88	34.7	-97.3	40.4	54.0
Nonresidential										
Number of contracts	25,282	23,514	183	157	149	149	-12.0	-18.6	-7.0	-5.1
Valuation (thousands of dollars)	9,056,146	11,595,243	94,798	68,069	120,434	73,342	16.3	27.0	28.0	7.7
Floor area (thousands of square feet)	252,915	321,468	2,716	2,160	2,974	1,879	8.7	9.5	27.1	-13.0
Nonbuilding										
Number of contracts	13,713	15,077	70	41	51	36	-9.1	-27.1	9.9	-12.2
Valuation (thousands of dollars)	9,012,888	11,144,452	30,973	14,763	28,789	65,619	20.6	-7.1	23.7	344.5
Streets and Highways										
Number of contracts	3,989	4,750	19	14	18	17	-17.8	-5.3	19.1	21.4
Valuation (thousands of dollars)	1,399,453	2,255,221	7,529	7,659	19,706	62,377	-18.1	161.7	61.2	714.4

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Utah are not available.

TABLE 7.—Retail Sales, United States and Utah

	United States		Utah				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Non-durable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

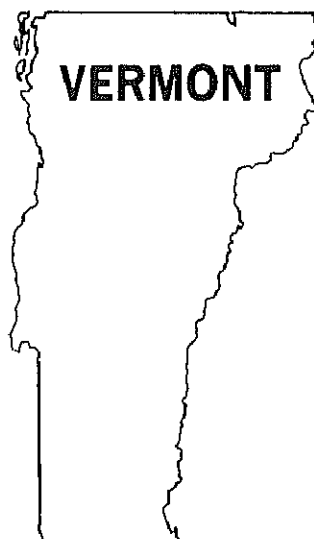
TABLE 8.—Business Incorporations and Failures, United States and Utah

	United States		Utah				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	912	1,015	991	n.a.	13.2	8.7	---	---
Total number of business failures	1,729	n.a.	0	0	2	n.a.	-4.9	---	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	0	0	433	n.a.	13.7	---	---	---
Average liability per failure (thousands of dollars)	404	n.a.	0	0	217	n.a.	19.4	---	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	0	0	n.a.	6.0	---	---	---
Construction	279	n.a.	0	0	1	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	0	0	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	0	0	1	n.a.	-4	---	---	---
Commercial services	205	n.a.	0	0	0	n.a.	-23.5	---	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 12.7%, 0.1 percentage point more than in U.S.
- Wages and salaries strong, especially in durable goods manufacturing and trade

Consumer prices

- Up 7.9% in Boston vs. 9.9% in U.S.

Employment

- Up 3.6% vs. 3.8% in U.S., to 222,000

Unemployment

- Little changed, at about 16,000
- Rate down to 6.8% of labor force vs. 6.3% in U.S.

Construction

- Total valuation of contracts up 16.1% vs. 19.8% in U.S., to \$75 million
- Large gains in valuation of nonresidential and residential housekeeping contracts
- Number of dwelling-unit starts up 10.7% vs. 2.6% in U.S., to 567

TABLE 1.—Summary of Economic Indicators, United States and Vermont

	United States		Vermont				U.S.	State	U.S.	State
	1978 I	1979 I	1977:IV	1978 I	1978 IV	1979:I	1977:IV— 1978 IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	2,924	3,045	3,344	3,433	12.6	14.4	12.6	12.7
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	1,770	1,859	2,065	2,120	12.6	16.6	12.8	14.0
Civilian employment (thousands)	91,401	94,901	215	214	227	222	3.9	5.2	3.8	3.6
Unemployment (thousands)	6,705	6,360	15	17	12	16	-8.8	-20.1	-5.1	-2.5
Percent unemployed (unemployment/labor force)	6.8	6.3	6.5	7.2	5.0	6.8	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	1,244	1,272	1,428	n.a.	15.6	14.8	---	---
Total deposits (millions of dollars)	911,772	n.a.	1,678	1,673	1,842	n.a.	9.3	9.8	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	115,487	64,682	97,084	75,073	16.8	-15.9	19.8	16.1
Dwelling units started (number)	404,171	414,826	1,090	512	1,081	567	-2	-8	2.6	10.7
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	322	272	295	n.a.	13.2	-8.4	---	---
Business failures (number)	1,729	n.a.	3	2	0	n.a.	-4.9	---	---	---
Consumer Price Index (1967=100).										
U.S. city average....	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Boston	---	---	185.3	187.7	199.2	202.5	---	7.5	---	7.9

n.a. Data not available

Source See tables 2 through 8

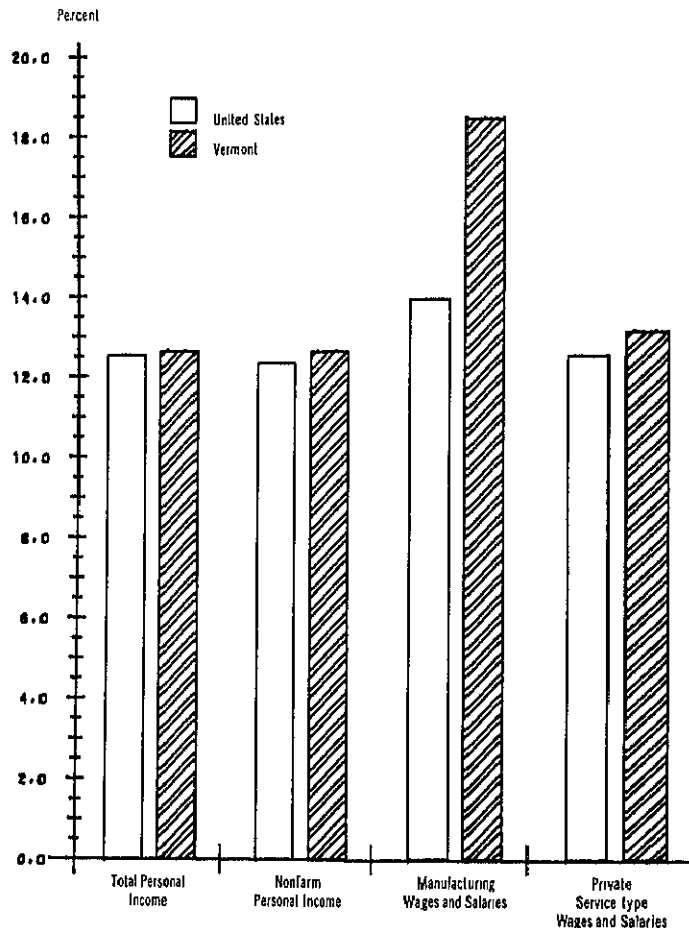
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) increased 12.7 percent from 1978:I to 1979:I, 0.1 percentage point more than nationally (table 2). In 1979:I, Vermont's total personal income was \$3.4 billion, for an increase of \$0.4 billion since 1978:I. The income increase in each New England State was near the national average.

Consumer prices in Boston, the metropolitan area closest to Vermont for which data are available, increased 7.9 percent from 1978:I to 1979:I versus a national increase of 9.9 percent (table 3). If Boston's increase is used as an indicator for price movements in the State, real total personal income in Vermont increased 4.8 percent from year to year versus 2.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 14.0 percent in Vermont versus 12.8 percent in the Nation. Among all States, Vermont's increase ranked 18th. In 1979:I, payrolls in the State totaled \$2.1 billion, for an increase of \$0.3 billion since 1978:I.

Manufacturing payrolls increased 18.5 percent in Vermont, 4.5 percentage points more than in the Nation. Strength extended to both durable and nondurable goods manufacturing. The gain in durables was particularly important, because these payrolls accounted for nearly 25 percent of Vermont's total payrolls in 1979:I, in contrast to a national weight of 18 percent. Durables payrolls in the State increased 21.2 percent versus 16.2 percent in the Nation.

Private service-type industry payrolls were also strong, up 13.2 percent versus 12.6 percent in the Nation. Strength was concentrated in wholesale and retail trade; increases in the remaining private service-type industries were near the corresponding national increases. The increase in construction was less in Vermont than in the Nation.

Government payrolls in both the State and Nation increased about 6.5 percent. The increase in Federal Government payrolls in the State was larger than in the Nation, and the increase in State and local government payrolls was smaller than in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

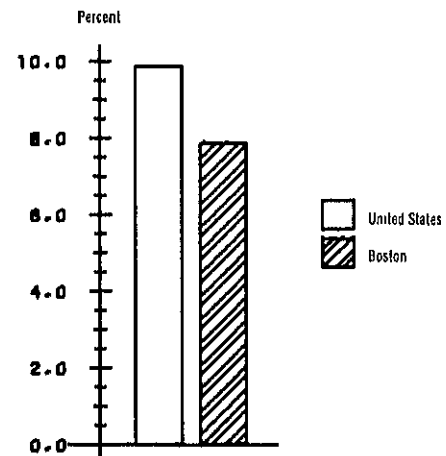


Chart 3.—Total Personal Income
[Seasonally adjusted]

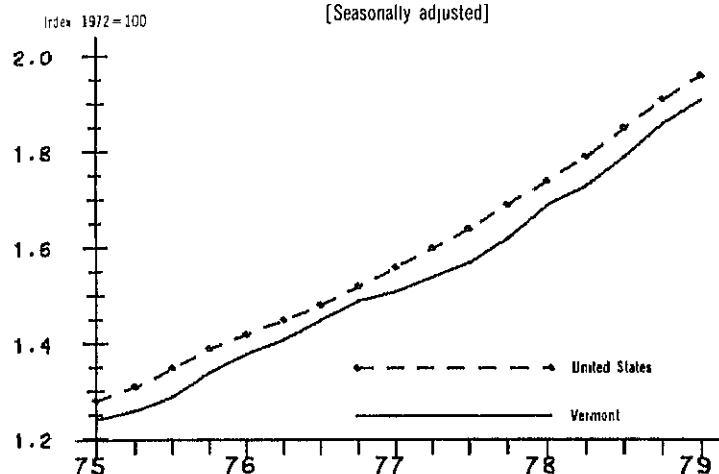


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

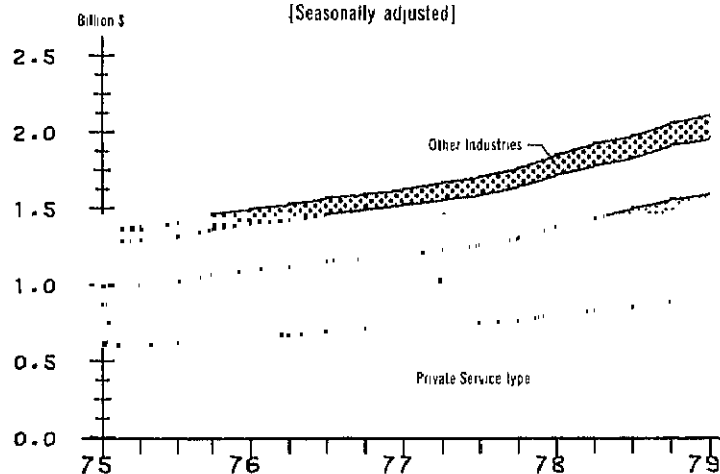


TABLE 2.—Personal Income, United States and Vermont

	United States		Vermont				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	2,924	3,045	3,344	3,433	12.6	14.4	12.6	12.7
Farm personal income	32,083	40,141	72	77	82	89	26.3	14.7	25.1	14.8
Nonfarm personal income	1,592,582	1,789,374	2,852	2,968	3,262	3,344	12.3	14.4	12.4	12.7
Total personal income	1,624,665	1,829,515	2,924	3,045	3,344	3,433	12.6	14.4	12.6	12.7
Wage and salary disbursements	1,042,716	1,176,598	1,770	1,859	2,065	2,120	12.6	16.6	12.8	14.0
Other labor income	99,957	115,833	169	180	205	210	16.4	20.8	15.9	16.8
Proprietors' income	108,808	126,535	250	265	289	297	18.9	15.4	16.3	11.7
Farm	24,448	31,221	51	56	59	64	31.3	16.9	27.7	14.6
Nonfarm	84,360	95,314	199	210	229	233	15.3	15.0	13.0	10.9
Dividends, interest, and rent	221,191	250,595	424	435	475	491	12.8	12.2	13.3	12.9
Transfer payments	219,202	238,794	454	462	487	501	8.2	7.3	8.9	8.5
State unemployment insurance benefits	9,997	8,023	27	26	16	20	-30.3	-39.9	-19.7	-21.4
Less: personal contributions	66,792	78,351	103	113	124	134	15.1	20.3	17.3	18.6
Plus: residence adjustment	-417	-489	-40	-44	-52	-52	—	—	—	—
Wage and salary disbursements	1,042,716	1,176,598	1,770	1,859	2,065	2,120	12.6	16.6	12.8	14.0
Farm	7,215	8,422	20	20	21	23	10.6	9.1	16.7	15.2
Nonfarm	1,035,501	1,168,176	1,751	1,839	2,043	2,097	12.6	16.7	12.8	14.0
Mining	12,013	19,166	9	8	11	12	33.9	29.6	59.5	40.4
Construction	56,564	68,593	88	98	107	117	20.1	22.3	21.3	18.6
Manufacturing	285,735	325,636	540	568	667	673	13.3	23.5	14.0	18.5
Durable goods	182,321	211,944	409	430	516	522	15.2	26.2	16.2	21.2
Nondurable goods	103,414	113,692	132	137	151	151	10.0	15.0	9.9	10.1
Private service type	473,132	532,823	772	819	895	926	13.1	16.1	12.6	13.2
Transportation, communication, and public utilities	79,598	88,755	119	119	129	133	11.3	8.3	11.5	11.7
Wholesale and retail trade	177,331	201,608	270	288	319	336	14.1	18.2	13.7	16.6
Finance, insurance, and real estate	55,930	63,373	75	77	84	87	13.2	11.1	13.3	11.9
Services	160,273	179,087	308	334	365	370	12.7	18.4	11.7	11.0
Government	204,558	218,008	337	341	356	363	6.9	5.6	6.6	6.5
Federal	68,698	73,916	81	82	86	90	7.1	6.7	7.6	9.5
State and local	135,860	144,092	256	259	270	273	6.8	5.3	6.1	5.5
Other	3,499	3,950	5	6	6	7	14.6	17.0	12.9	15.2

1 Detail may not add to totals because of rounding.

2 Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Vermont¹

	United States		Vermont				U S	State	U S	State
	1978:I	1979:I	1977 IV	1978:I	1978:IV	1979 I	1977 IV— 1978 IV	1978:I— 1979:I		
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ²	185.4	207.0	---	---	---	---	8.9	---	9.9	---
Boston	---	---	185.3	187.7	199.2	202.5	---	7.5	---	7.9

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2 Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Vermont's civilian labor force increased 3.2 percent, the same as in the Nation (table 4). Vermont's increase was the second smallest in the New England region. Total employment in Vermont increased 3.6 percent, 0.2 percentage point less than in the Nation, to 222,000. Vermont's employment increase also was the second smallest in the New England region.

With both the labor force and employment increasing about 8,000, the number of unemployed was little changed, at about 16,000. Vermont's

unemployment rate declined 0.4 percentage point, to 6.8 percent in 1979:I. The Nation's unemployment rate was 6.3 percent, down 0.5 percentage point over the year. Among the New England States, only New Hampshire and Connecticut had lower unemployment rates than Vermont in 1979:I, and only New Hampshire registered a larger year-to-year decline in the unemployment rate than Vermont.

In March 1979, the preliminary unemployment rate for Vermont was 6.3 percent, down 0.6 percentage point from the rate in March 1978.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Vermont

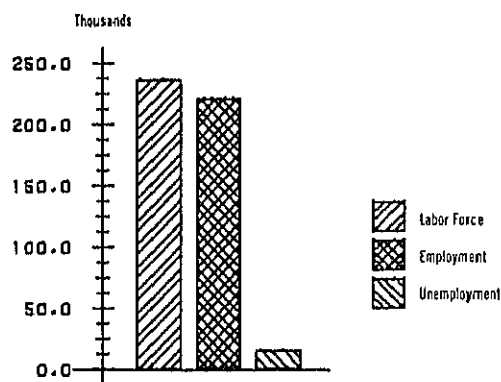


Chart 6.—Unemployment Rates, 1978:I—1979:I

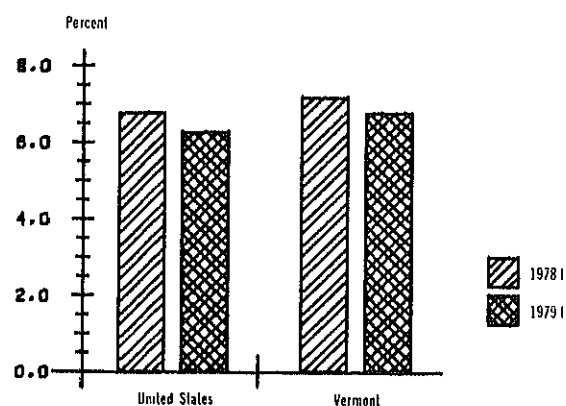


TABLE 4.—Labor Force, United States and Vermont

	United States		Vermont				U.S.	State	U.S.	State
	1978:I	1979 I	1977:IV	1978 I	1978 IV	1979 I	1977:IV— 1978:IV		1978 I— 1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	183	183	195	193	4.2	6.6	2.9	5.7
Mining	730	896	1	1	1	1	14.4	14.3	22.7	14.3
Construction	3,784	3,973	9	7	10	8	11.2	9.7	5.0	8.7
Manufacturing	20,064	20,652	45	45	49	49	3.6	9.4	2.9	8.9
Transportation, communication, and public utilities	4,779	4,943	9	8	9	9	4.4	3.5	3.4	3.6
Wholesale and retail trade	18,937	19,549	38	37	40	40	4.5	6.9	3.2	8.9
Finance, insurance, and real estate	4,601	4,790	7	7	7	7	5.2	2.8	4.1	2.8
Services	15,758	16,149	40	42	42	44	4.4	4.2	2.5	4.0
Government	15,435	15,648	35	35	35	36	1.4	6	1.4	8
Civilian labor force ³	98,106	101,260	230	230	238	238	3.1	3.6	3.2	3.2
Total employed	91,401	94,901	215	214	227	222	3.9	5.2	3.8	3.6
Total unemployed	6,705	6,360	15	17	12	16	-8.8	-20.1	-5.1	-2.5
Percent unemployed	6.8	6.3	6.5	7.2	5.0	6.8	---	---	---	---

1. Detail may not add to totals because of rounding.

2. Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

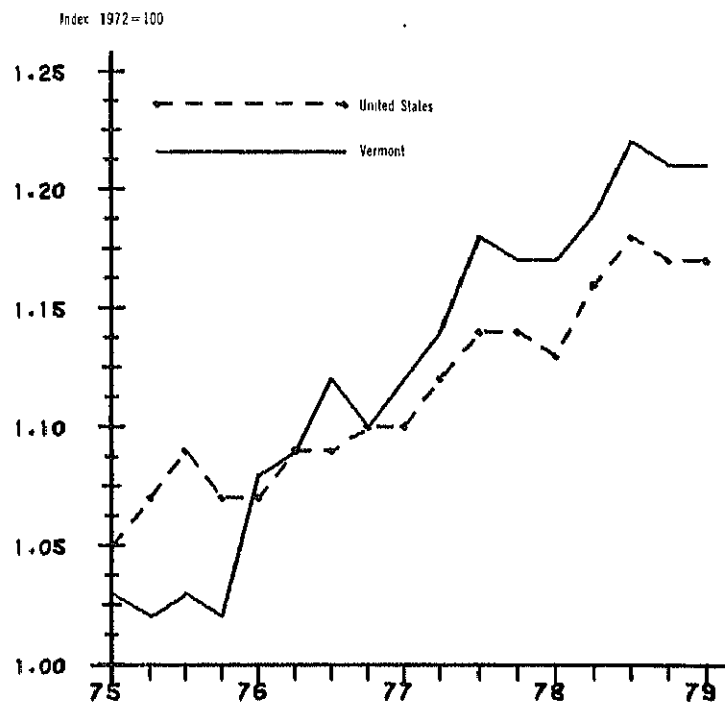


Chart 8.—Civilian Employment

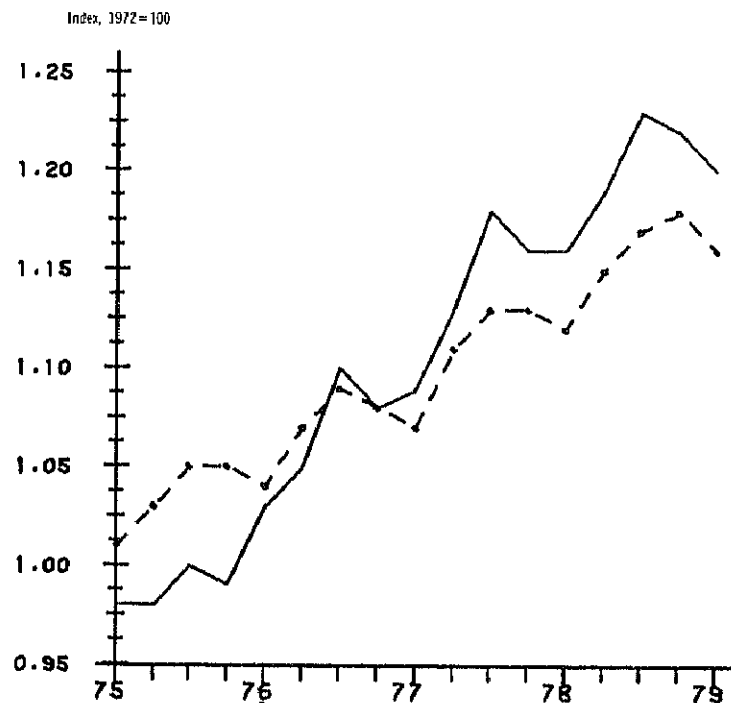


Chart 9.—Unemployment Rate

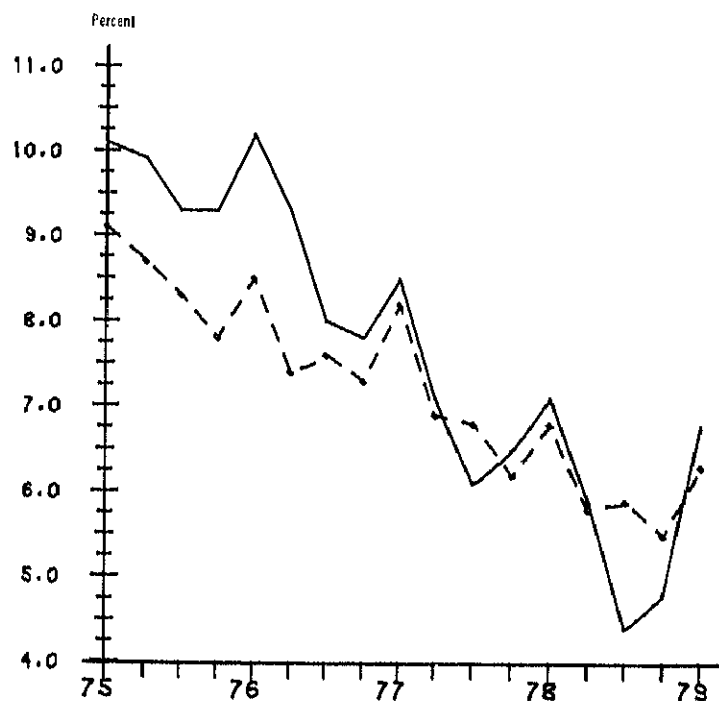
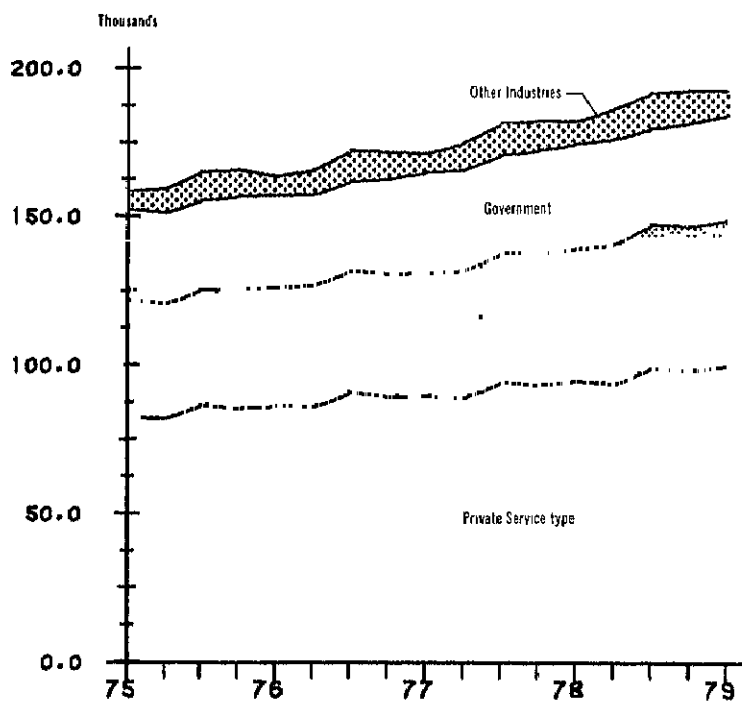


Chart 10.—Industrial Composition of Nonagricultural Employment: Vermont



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Vermont

	United States		Vermont				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a	1,244	1,272	1,428	n.a.	15.6	14.8	---	---
Commercial and industrial	202,241	n.a	236	256	280	n.a	13.3	18.5	---	---
Loans to individuals	143,356	n.a	273	274	311	n.a	18.7	14.0	---	---
Real estate	183,599	n.a	701	708	798	n.a	19.6	13.8	---	---
Residential	104,830	n.a	472	478	533	n.a	22.1	13.1	---	---
Farms	7,919	n.a	22	21	22	n.a	9.6	2.9	---	---
Other	70,851	n.a	208	209	242	n.a	17.0	16.6	---	---
Farms, excluding real estate	25,440	n.a	19	18	21	n.a	9.5	7.7	---	---
Other	64,581	n.a	14	15	18	n.a	7.9	28.1	---	---
Total deposits	911,772	n.a.	1,678	1,673	1,842	n.a.	9.3	9.8	---	---
Demand	344,245	n.a	415	368	443	n.a.	5.6	6.9	---	---
Time and savings	567,527	n.a	1,263	1,304	1,399	n.a	11.9	10.8	---	---

¹ Detail may not add to totals because of rounding

² Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in Vermont increased 14.8 percent from 1977:IV to 1978:IV versus a 15.6-percent increase in the Nation (table 5). In 1978:IV, Vermont's loans totaled \$1.4 billion, for an increase of \$0.2 billion since 1977:IV. Loans to individuals increased 14.0 percent in Vermont versus 18.7 percent in the Nation, and real estate loans increased 13.8 percent versus 19.6 percent in the Nation. Vermont's increase in real estate loans ranked 39th among all State increases. In contrast, commercial and

industrial loans were particularly strong in the State, increasing 18.5 percent versus 13.3 percent in the Nation. Vermont's increase ranked 13th.

Total deposits increased 9.8 percent in Vermont from 1977:IV to 1978:IV versus a 9.3-percent increase in the Nation. In 1978:IV, deposits totaled \$1.8 billion, for an increase of \$0.2 billion from 1977:IV. Demand deposits increased 6.9 percent in Vermont and 5.6 percent in the Nation. In contrast, time and savings deposits increased 10.8 percent in Vermont, 1.1 percentage points less than in the Nation.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 16.1 percent in Vermont versus 19.8 percent in the Nation (table 6). Among all States, Vermont's increase ranked 30th; among the six New England States, it ranked 4th, after increases in Rhode Island, Connecticut, and Maine. In 1979:I, contracts in the State totaled \$75 million, for an increase over the year of \$10 million. Most of the increase reflected a contract for a shopping center in Chittenden County.

The new residential housekeeping market was strong in Vermont, as it was in most Northeast States. Both the valuation of residential housekeeping contracts and the number of dwelling units started recovered sharply from unusually low levels in 1978:I, when the weather in the Northeast was even more severe than in 1979:I. The valuation of residential housekeeping contracts increased 24.2 percent in Vermont versus 11.8 percent in the Nation. Among all States, Vermont's increase ranked 18th; among the New England States, Vermont's increase was the smallest. The number of dwelling units started increased 10.7

percent, or 55 units, to 567 units, versus an increase of only 2.6 percent in the Nation. Among all States, Vermont's increase ranked 18th. In contrast, the valuation of contracts for additions and alterations to residential housekeeping units increased only 2.4 percent in Vermont versus 17.9 percent in the Nation. Among all States, Vermont's increase ranked 47th.

The valuation of nonresidential contracts increased 89.4 percent (\$10 million) in Vermont versus 28.0 percent in the Nation. All of the State's increase was due to the contract for the shopping center in Chittenden County.

In sharp contrast, the valuation of nonbuilding contracts declined 35.8 percent in Vermont versus an increase of 23.7 percent in the Nation. The valuation of street and highway contracts—a subcategory of nonbuilding—increased sharply in Vermont, the State's increase was well above the national average increase of 61.2 percent.

Chart 14.—Construction Contracts—Total Valuation

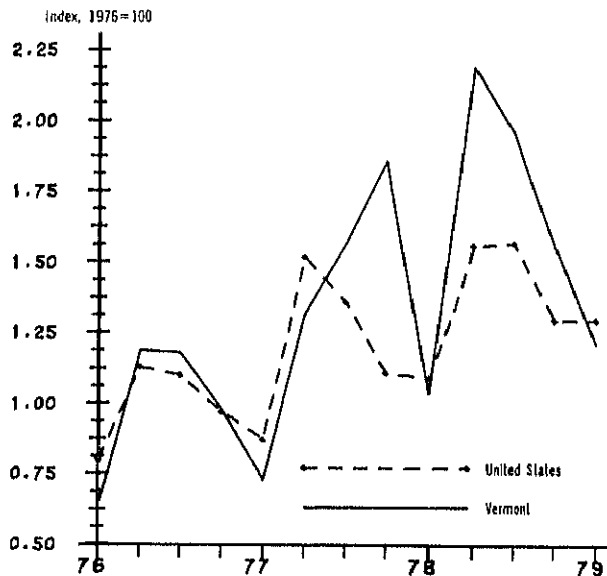


Chart 15.—Construction Contracts—Valuation of Contracts by Type:

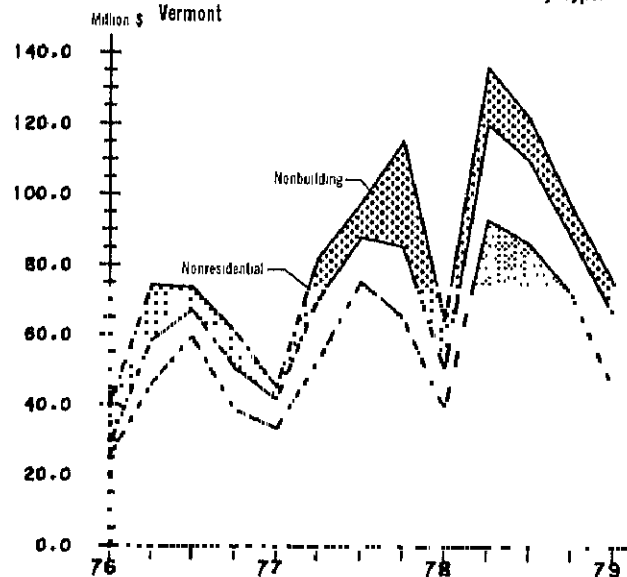


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

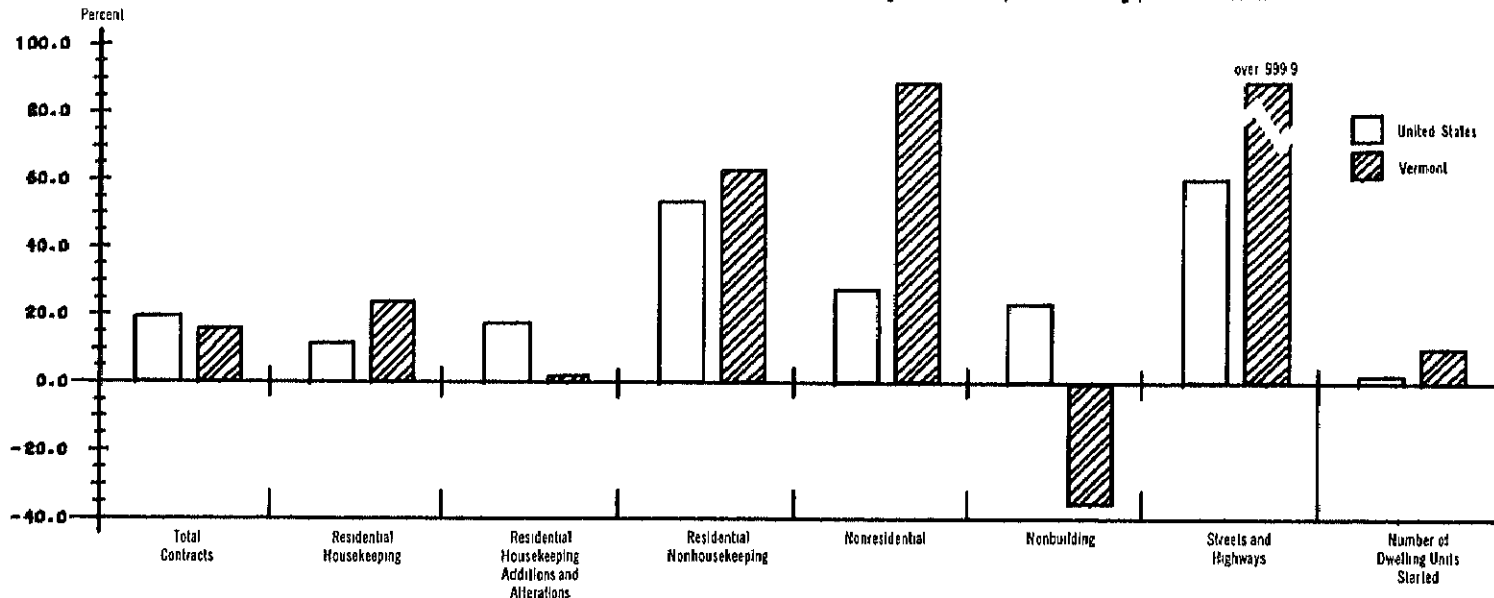


TABLE 6.—Construction Contracts, United States and Vermont¹

	United States		Vermont				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ¹			
Total valuation of contracts	38,107,230	45,638,147	115,487	64,682	97,084	75,073	16.8	-15.9	19.8	16.1
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	28,163	20,222	28,954	20,704	14.6	2.8	17.9	2.4
All other contracts										
Number of contracts	53,028	53,454	233	130	142	108	-9.3	-39.1	8	-16.9
Valuation (thousands of dollars)	32,202,931	38,675,376	87,324	44,460	68,130	54,369	17.3	-22.0	20.1	22.3
Floor area (thousands of square feet)	807,538	904,811	1,920	1,030	1,884	1,594	10.3	-1.9	12.0	54.8
Residential housekeeping										
Number of contracts	13,592	14,399	51	46	53	49	-4.3	3.9	5.9	6.5
Number of dwelling units	404,171	414,826	1,090	512	1,081	567	-2	-8	2.6	10.7
Valuation (thousands of dollars)	13,806,696	15,431,523	36,751	17,368	39,922	21,568	15.6	8.6	11.8	24.2
Floor area (thousands of square feet)	546,445	571,860	1,391	686	1,536	808	10.7	10.4	4.7	17.9
Residential nonhousekeeping										
Number of contracts	441	464	1	1	3	3	-4	200.0	5.2	200.0
Valuation (thousands of dollars)	327,201	504,158	321	1,500	3,493	2,450	54.9	988.2	54.1	63.3
Floor area (thousands of square feet)	8,179	11,483	0	24	71	32	34.7	---	40.4	31.7
Nonresidential										
Number of contracts	25,282	23,514	78	44	41	29	-12.0	-47.4	-7.0	-34.1
Valuation (thousands of dollars)	9,056,146	11,595,243	20,179	11,117	15,985	21,055	16.3	-20.8	28.0	89.4
Floor area (thousands of square feet)	252,915	321,468	529	320	276	754	8.7	-47.8	27.1	135.6
Nonbuilding										
Number of contracts	13,713	15,077	103	39	45	27	-9.1	-56.3	9.9	-30.8
Valuation (thousands of dollars)	9,012,888	11,144,452	30,073	14,475	8,730	9,296	20.6	-71.0	23.7	-35.8
Streets and Highways										
Number of contracts	3,989	4,750	26	4	12	10	-17.8	-53.8	19.1	150.0
Valuation (thousands of dollars)	1,399,453	2,255,221	13,113	397	2,534	5,895	-18.1	-80.7	61.2	***

***Percent change greater than 999.9

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Vermont are not available.

TABLE 7.—Retail Sales, United States and Vermont

	United States		Vermont				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977.IV— 1978.IV		1978.I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Non durable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

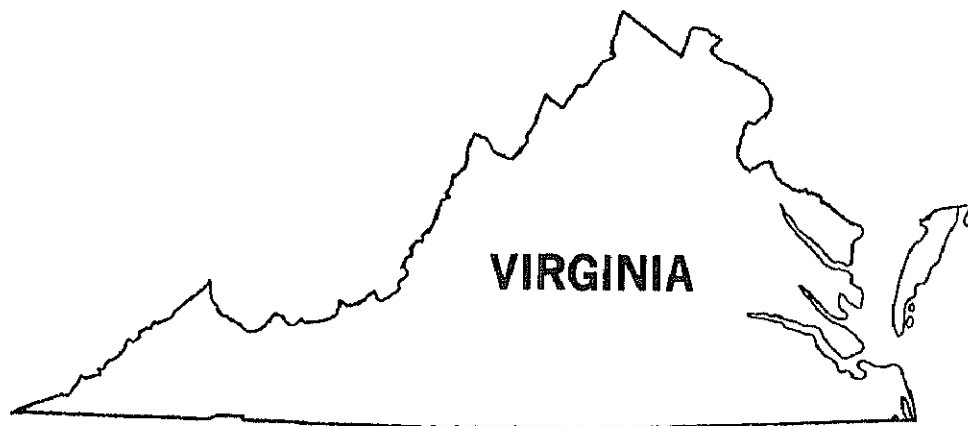
TABLE 8.—Business Incorporations and Failures, United States and Vermont

	United States		Vermont				U S	State	U S	State
	1978 I	1979.I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978 I— 1979:I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	322	272	295	n.a.	13.2	-8.4	---	---
Total number of business failures	1,729	n.a.	3	2	0	n.a.	-4.9	---	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	1,173	432	0	n.a.	13.7	---	---	---
Average liability per failure (thousands of dollars)	404	n.a.	391	216	0	n.a.	19.4	---	---	---
Business failures by industry										
Mining and manufacturing										
Construction	271	n.a.	1	0	0	n.a.	6.0	---	---	---
Wholesale trade	279	n.a.	2	0	0	n.a.	-8.2	---	---	---
Retail trade	205	n.a.	0	1	0	n.a.	-6.3	---	---	---
Commercial services	769	n.a.	0	1	0	n.a.	-4	---	---	---
	205	n.a.	0	0	0	n.a.	-23.5	---	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 12.8% vs. 12.6% in U.S., to \$42.0 billion —Payrolls up 170.3% in mining vs. 59.5% in U.S. and 14.0% in private service-type industries vs. 12.6% in U.S.
Consumer prices	—Up 10.9% in Washington, D.C. vs. 9.9% in U.S.
Employment	—Up 3.0% vs. 3.8% in U.S. to 2.8 million
Unemployment	—Down almost 5,000, to 147,000 —Rate down slightly, to 6.1% of labor force vs. 6.3% U.S. rate
Construction	—Total valuation of contracts up 12.0% vs. 19.8% in U.S. —Valuation of nonbuilding contracts down 19.4% vs. 23.7% increase in U.S. —Number of dwelling-unit starts down 8.1% vs. 2.6% increase in U.S.
Retail sales	—Up 13.9% vs. 15.8% in U.S., to \$4.4 billion

TABLE 1.—Summary of Economic Indicators, United States and Virginia

	United States		Virginia				U.S.	State	U.S.	State
	1978 I	1979:I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978:I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	36,569	37,204	41,288	41,972	12.6	12.9	12.6	12.8
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	23,065	23,370	26,106	26,506	12.6	13.2	12.8	13.4
Civilian employment (thousands)	91,401	94,901	2,289	2,209	2,341	2,275	3.9	2.3	3.8	3.0
Unemployment (thousands)	6,705	6,360	108	152	119	147	-8.8	10.0	-5.1	-3.2
Percent unemployed (unemployment/labor force)	6.8	6.3	4.5	6.4	4.8	6.1	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	11,427	11,675	12,932	n.a.	15.6	13.2	---	---
Total deposits (millions of dollars)	911,772	n.a.	16,418	16,436	17,755	n.a.	9.3	8.1	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	964,924	927,433	1,195,743	1,039,055	16.8	23.9	19.8	12.0
Dwelling units started (number)	404,171	414,826	10,553	10,018	11,119	9,210	-2	5.4	2.6	-8.1
Total retail sales (millions of dollars)	167,940	194,529	4,396	3,872	4,885	4,411	11.2	11.1	15.8	13.9
New business incorporations (number)	115,247	n.a.	2,129	2,585	2,331	n.a.	13.2	9.5	---	---
Business failures (number)	1,729	n.a.	20	12	37	n.a.	-4.9	85.0	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Washington, D.C.	---	---	188.1	190.6	205.3	211.4	---	9.1	---	10.9

n.a. Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Virginia increased 12.8 percent from 1978:I to 1979:I versus 12.6 percent nationally (table 2). In 1979:I, the State's personal income totaled \$42.0 billion, up \$4.8 billion since 1978:I.

From 1978:I to 1979:I, the Consumer Price Index for the Washington, D.C. metropolitan area increased 10.9 percent versus a national city average increase of 9.9 percent (table 3). If the increase for Washington, D.C. is used as an indicator for price movements in the State, real total personal income in Virginia increased 1.9 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 13.4 percent in the State from 1978:I to 1979:I, compared with a national increase of 12.8 percent. In 1979:I, payrolls totaled \$26.5 billion, up \$3.1 billion since 1978:I.

Mining payrolls increased 170.3 percent from year to year versus 59.5 percent nationally. The sharp increase in Virginia's mining payrolls, the third largest in the Nation (after increases in Alabama and West Virginia), reflected the resumption of coal-mining activities after a miners' strike in 1978:I. Mining payrolls accounted for 10 percent of the year-to-year increase in all payrolls in Virginia.

State and local government payrolls increased 11.1 percent in Virginia, one of the largest increases among all States and 5.0 percentage points more than nationally. Federal Government payrolls increased 7.9 percent in the State and 7.6 percent nationally.

All private service-type industry payrolls in Virginia increased more than nationally. Trade payrolls increased 14.5 percent versus 13.7 percent nationally, and services payrolls increased 12.9 percent versus 11.7 percent nationally. Payrolls in transportation-communication-public utilities increased 15.0 percent versus 11.5 percent nationally, and payrolls in finance-insurance-real estate increased 14.3 percent versus 13.3 percent nationally.

Construction payrolls increased 21.5 percent in the State from year to year, about the same as nationally.

In manufacturing, nondurable goods payrolls increased 11.9 percent in the State, 2.0 percentage points more than nationally. In contrast, durable goods payrolls increased 8.8 percent from year to year, one of the smallest increases in the Nation and only slightly more than one-half of the national increase.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

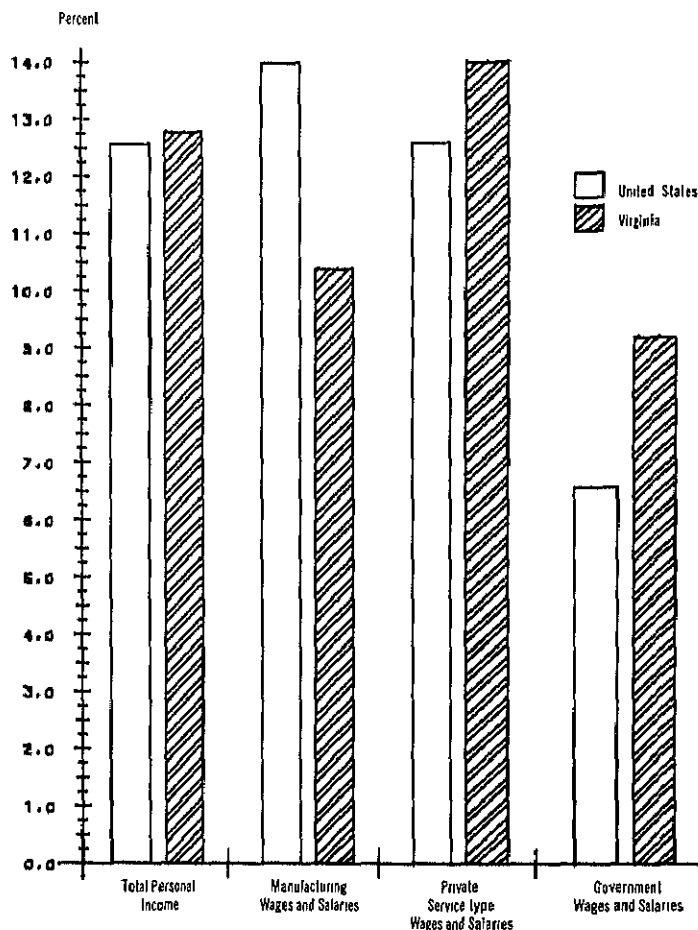


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

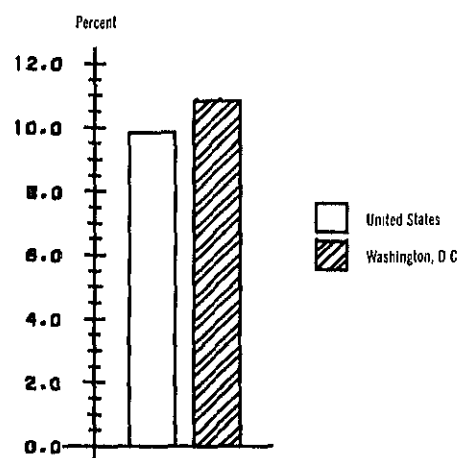
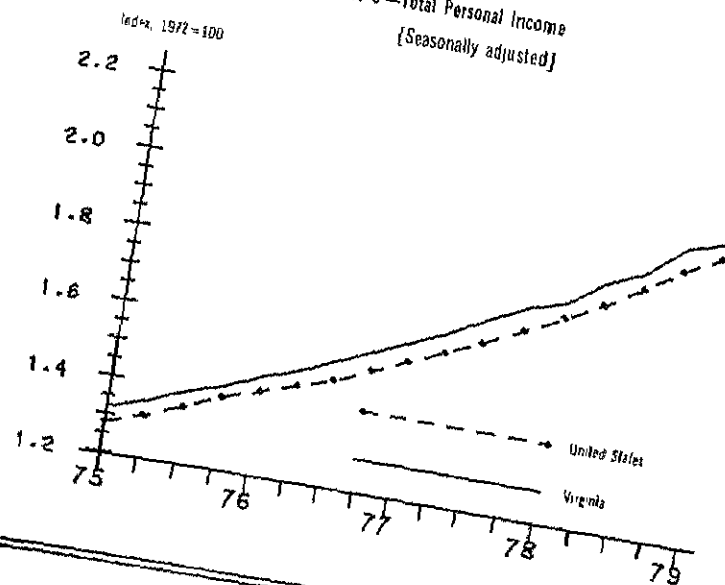
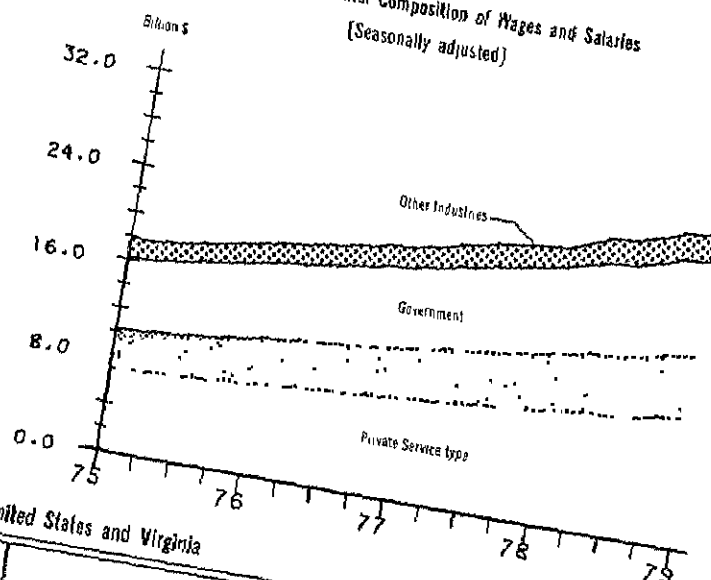


Chart 3—Total Personal Income
(Seasonally adjusted)Chart 4.—Industrial Composition of Wages and Salaries
(Seasonally adjusted)

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TABLE 2.—Personal Income, United States and Virginia

	United States		Virginia				Percent change ¹			
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	U.S.		State	
							1977 IV— 1978 IV	1978 I— 1978 IV	1978 I— 1979 I	State
Total personal income	1,624,665	1,829,515	36,569	37,204	41,288	41,972	12.6	12.9	12.8	12.8
Farm personal income	32,083	40,141	285	396	446	502	26.3	56.3	25.1	27.0
Nonfarm personal income	1,592,582	1,789,374	36,284	36,808	40,842	41,470	12.3	12.6	12.4	12.7
Total personal income	1,624,665	1,829,515	36,569	37,204	41,288	41,972	12.6	12.9	12.6	12.8
Wage and salary disbursements	1,042,716	1,176,598	23,065	23,370	26,106	26,506	12.6	13.2	12.8	13.4
Other labor income	99,957	115,833	1,938	1,967	2,287	2,320	16.4	17.0	15.9	17.9
Proprietors' income	108,808	126,535	1,835	1,978	2,287	2,314	18.9	23.5	16.3	17.0
Dividends, interest, and rent	24,448	31,221	214	324	369	422	31.3	72.8	27.7	30.1
Transfer payments	84,360	95,314	1,621	1,654	1,897	1,892	12.8	17.1	13.0	14.4
State unemployment insurance benefits	221,191	250,595	4,011	4,131	4,510	4,668	12.8	17.1	13.0	14.4
Less: personal contributions	219,202	238,794	4,839	4,934	5,335	5,441	8.2	10.3	8.9	10.3
Plus: residence adjustment	9,997	8,023	130	116	106	94	-30.3	-18.3	-19.7	-19.2
Wage and salary disbursements	66,792	78,351	1,424	1,510	1,650	1,785	15.1	15.9	17.3	18.3
Farm	-417	-489	2,305	2,334	2,452	2,508	12.6	13.2	12.8	13.4
Nonfarm	1,042,716	1,176,598	23,065	23,370	26,106	26,506	12.6	13.2	12.8	13.4
Mining	7,215	8,422	69	69	74	78	10.6	6.9	16.7	12.8
Construction	1,035,501	1,168,176	375	375	486	497	12.6	13.2	12.8	13.4
Manufacturing	12,013	19,166	1,384	1,330	1,657	1,616	33.9	29.6	59.5	170.3
Durable goods	56,564	68,593	4,608	4,783	5,216	5,280	20.1	19.7	21.3	21.5
Non-durable goods	285,735	375,636	2,238	2,310	2,549	2,514	15.2	13.9	14.0	10.4
Private service type	182,321	211,944	2,370	2,473	2,667	2,766	13.3	13.2	13.9	16.2
Transportation, communication, and public utilities	103,414	113,692	9,307	9,688	10,642	11,045	13.1	12.5	14.3	9.9
Wholesale and retail trade	473,132	532,823	1,617	1,618	1,783	1,860	11.3	10.3	11.5	14.0
Finance, insurance, and real estate	79,598	88,755	3,482	3,539	4,017	4,168	14.1	15.4	13.7	15.0
Services	177,331	201,608	1,617	1,618	1,783	1,860	11.3	10.3	11.5	14.0
Government	55,930	63,373	999	1,024	1,131	1,169	13.2	13.2	13.7	14.5
Federal	160,273	179,087	3,482	3,539	4,017	4,168	14.1	15.4	13.7	15.0
State and local	204,558	218,008	3,210	3,407	3,711	3,848	12.7	15.6	9.7	6.6
Other	68,698	73,916	4,410	4,307	4,721	4,790	7.1	7.6	6.1	7.9
	135,860	144,092	2,863	2,956	3,254	3,284	6.8	13.7	6.1	11.1
	3,499	3,950	49	53	60	60	14.6	13.9	12.9	12.2

1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

TABLE 3.—Consumer Price Index, United States and Virginia¹

U.S. city average ² Washington, D.C.	United States		Virginia				Percent change			
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	U.S.		State	
							1977 IV— 1978 IV	1978 I— 1978 IV	1978 I— 1979 I	State
	188.4	207.0	188.1	190.6	205.3	211.4	8.9	9.1	9.9	10.9

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Virginia's civilian labor force increased 2.6 percent versus 3.2 percent nationally (table 4). Total employment increased 3.0 percent in the State (to 2.3 million), compared with a 3.8-percent national increase.

With employment increasing by about 66,000 and the labor force increasing by about 62,000, the number of unemployed declined by between 4,000 and 5,000. Virginia's unemployment rate declined slightly, to 6.1 percent of the labor force in 1979:I, compared with a national rate of 6.3 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Virginia

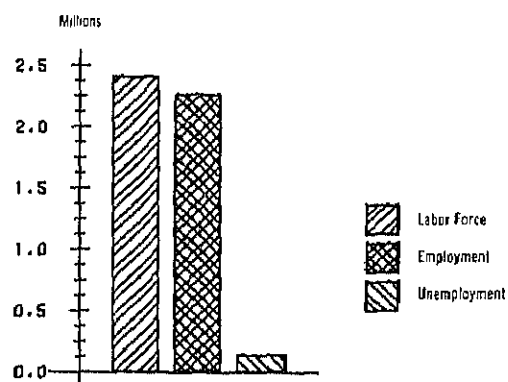


Chart 6.—Unemployment Rates, 1978:I—1979:I

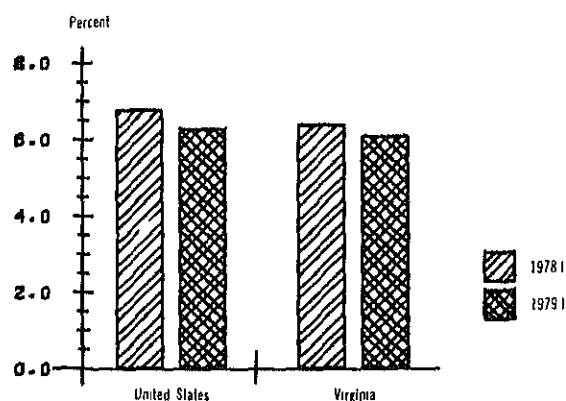


TABLE 4.—Labor Force, United States and Virginia

	United States		Virginia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,977	1,944	2,092	2,050	4.2	5.8	2.9	5.4
Mining	730	896	20	13	25	25	14.4	23.3	22.7	100.8
Construction	3,784	3,973	125	109	138	120	11.2	10.8	5.0	9.7
Manufacturing	20,064	20,652	409	403	413	404	3.6	1.1	2.9	.1
Transportation, communication, and public utilities	4,779	4,943	107	105	111	111	4.4	4.3	3.4	6.2
Wholesale and retail trade	18,937	19,549	424	409	449	434	4.5	6.0	3.2	5.9
Finance, insurance, and real estate	4,601	4,790	93	93	99	98	5.2	6.3	4.1	6.2
Services	15,758	16,149	338	338	364	362	4.4	7.6	2.5	7.0
Government	15,435	15,648	463	474	494	495	1.4	6.7	1.4	4.5
Civilian labor force ³	98,106	101,260	2,397	2,361	2,460	2,423	3.1	2.6	3.2	2.6
Total employed	91,401	94,901	2,289	2,209	2,341	2,275	3.9	2.3	3.8	3.0
Total unemployed	6,705	6,360	108	152	119	147	-8.8	10.0	-5.1	-3.2
Percent unemployed	6.8	6.3	4.5	6.4	4.8	6.1	---	---	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

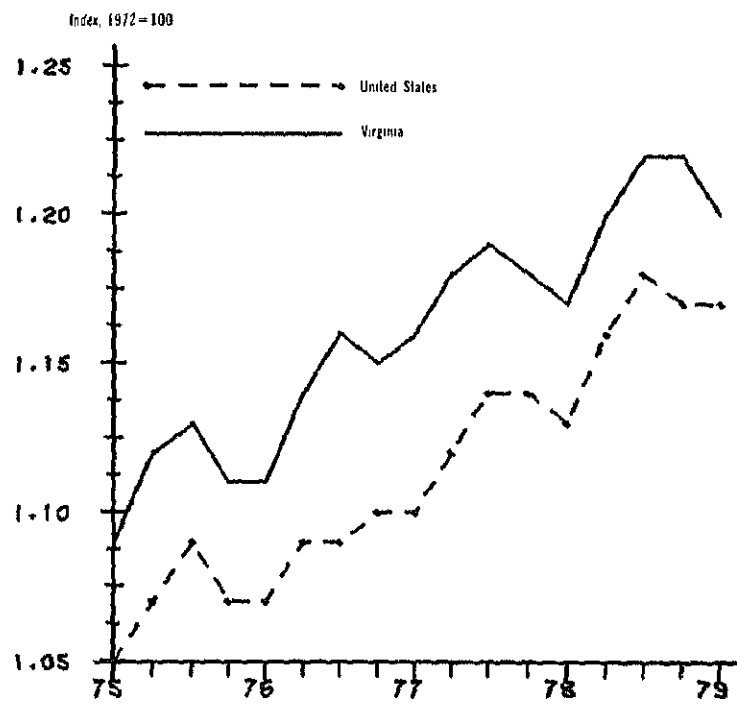


Chart 8.—Civilian Employment

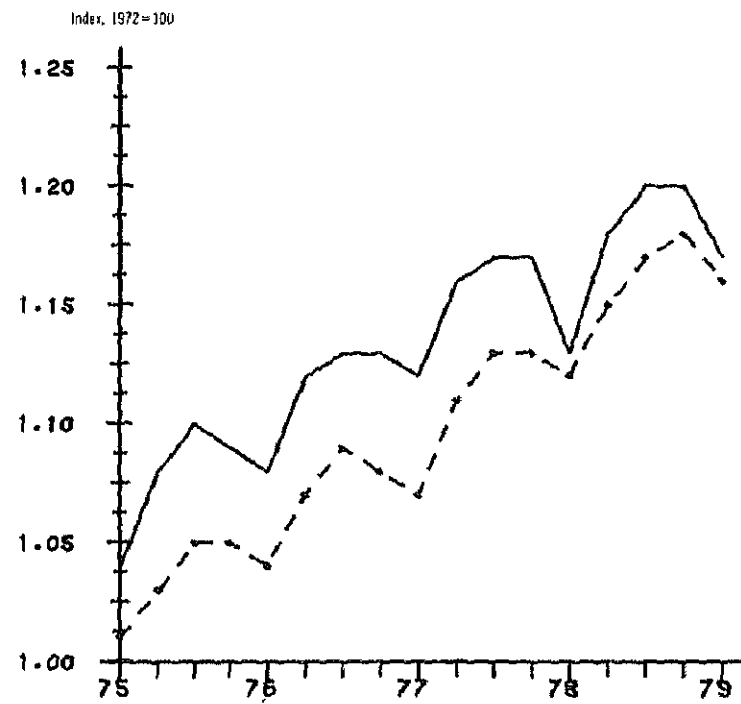


Chart 9.—Unemployment Rate

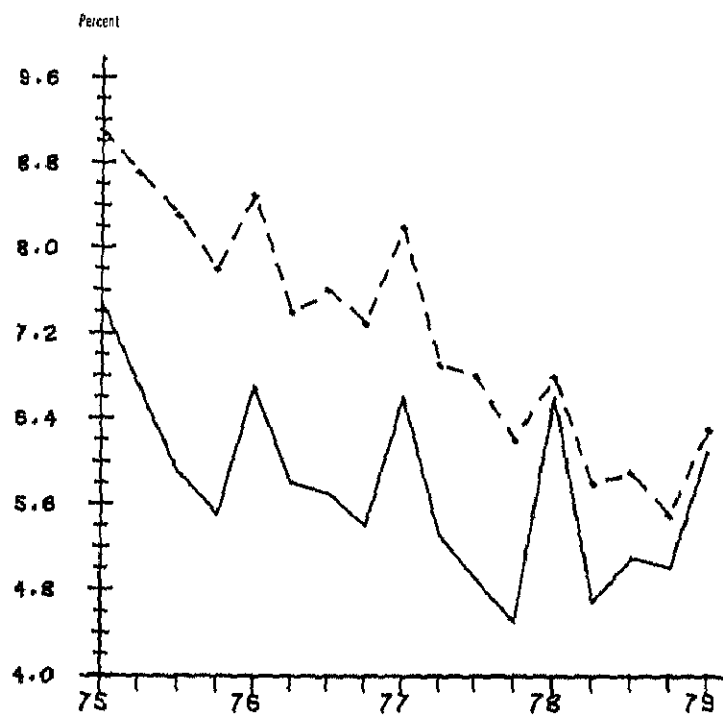
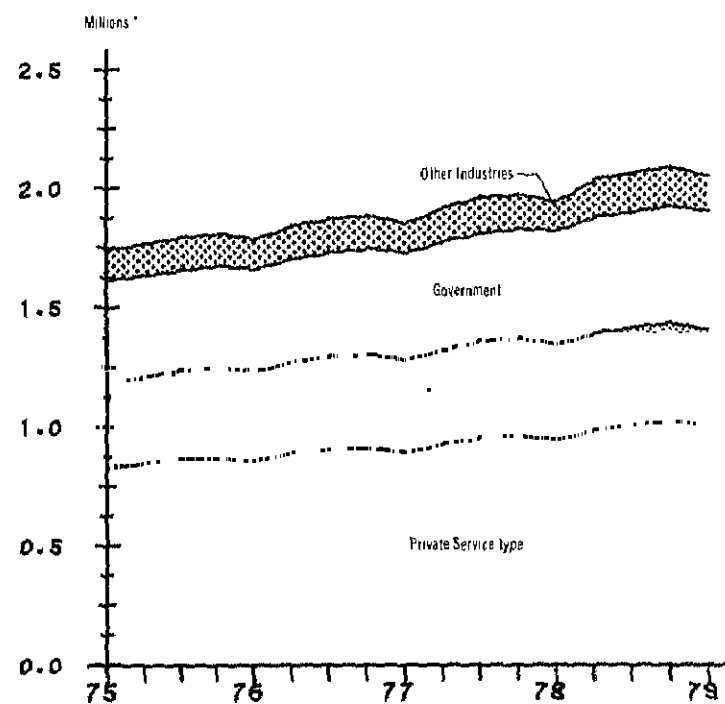


Chart 10.—Industrial Composition of Nonagricultural Employment: Virginia



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Virginia

	United States		Virginia				U S	State	U S	State
	1978 I	1979 I	1977.IV	1978 I	1978 IV	1979 I	1977 IV-- 1978 IV	1978 I-- 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	11,427	11,675	12,932	n.a.	15.6	13.2	---	---
Commercial and industrial	202,241	n.a.	2,645	2,781	3,021	n.a.	13.3	14.2	---	---
Loans to individuals	143,356	n.a.	3,804	3,865	4,391	n.a.	18.7	15.4	---	---
Real estate	183,599	n.a.	4,339	4,419	4,863	n.a.	19.6	12.1	---	---
Residential	104,830	n.a.	2,723	2,774	3,143	n.a.	22.1	15.4	---	---
Farms	7,919	n.a.	137	137	145	n.a.	9.6	5.6	---	---
Other	70,851	n.a.	1,479	1,507	1,574	n.a.	17.0	6.4	---	---
Farms, excluding real estate	25,440	n.a.	169	169	178	n.a.	9.5	5.1	---	---
Other	64,581	n.a.	469	442	479	n.a.	7.9	1.9	---	---
Total deposits	911,772	n.a.	16,418	16,436	17,755	n.a.	9.3	8.1	---	---
Demand	344,245	n.a.	5,849	5,588	6,171	n.a.	5.6	5.5	---	---
Time and savings	567,527	n.a.	10,568	10,848	11,585	n.a.	11.9	9.6	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 13.2 percent (\$1.5 billion) in Virginia from 1977:IV to 1978:IV, 2.4 percentage points less than nationally (table 5). In 1978:IV, bank loans totaled \$12.9 billion in the State. Loans to individuals increased 15.4 percent from year to year, 3.3 percentage points less than nationally, and real estate loans increased 12.1 percent, one of the smallest increases among all States and 7.5 percentage points

less than nationally. In contrast, commercial and industrial loans increased 14.2 percent in the State, almost 1 percentage point more than nationally.

Total deposits increased 8.1 percent (\$1.3 billion) from 1977:IV to 1978:IV versus 9.3 percent nationally. In 1978:IV, bank deposits totaled \$17.8 billion in the State. Time and savings deposits increased 9.6 percent from year to year versus 11.9 percent nationally, and demand deposits increased 5.5 percent, about the same as nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 12.0 percent (\$111.6 million), to \$1.0 billion (table 6). The Nation's increase was considerably larger—19.8 percent. National construction costs increased about 14 percent during the same timespan, and if this national increase is representative of the cost increase throughout the State, the total valuation of contracts in Virginia sustained a real decline of about 2 percent versus a real increase of about 6 percent nationally.

Nonbuilding contracts in Virginia declined 19.4 percent (\$38.1 million) in valuation, compared with a national increase of 23.7 percent. The State's decline was due, in part, to the greater severity of winter storms in 1979:I than in 1978:I, thus leading to more frequent delays in construction starts. Similarly, the valuation of street and highway contracts, a major component of nonbuilding contracts, declined 5.3 percent (\$2.5 million) in the State and increased 61.2 percent nationally.

The valuation of contracts for residential housekeeping units declined 0.4 percent (\$1.3 million) in the State versus an increase of 11.8 percent nationally. The number of dwelling units started in Virginia declined 8.1 percent (808 units), to 9,210, compared with a national increase of 2.6 percent. In contrast, the valuation of contracts for additions and alterations to residential housekeeping units increased 23.6 percent (\$31.5 million), 5.7 percentage points more than nationally.

In residential nonhousekeeping, which includes the construction of hotels, motels, and dormitories, contracts increased 273.0 percent (\$13.7 million) in valuation versus 54.1 percent nationally.

Nonresidential contracts increased 46.9 percent in valuation (\$105.8 million), compared with a 28.0-percent increase nationally.

Chart 14.—Construction Contracts—Total Valuation

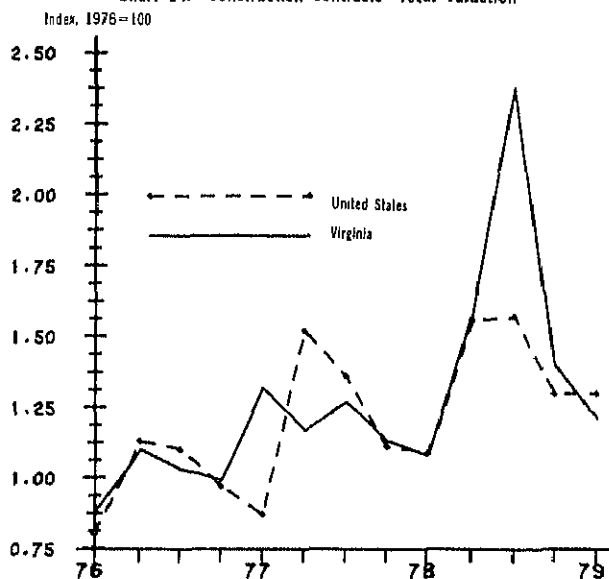


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Virginia

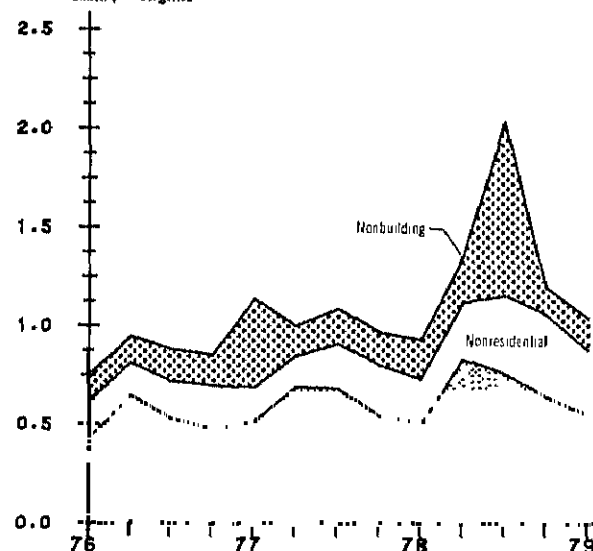


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

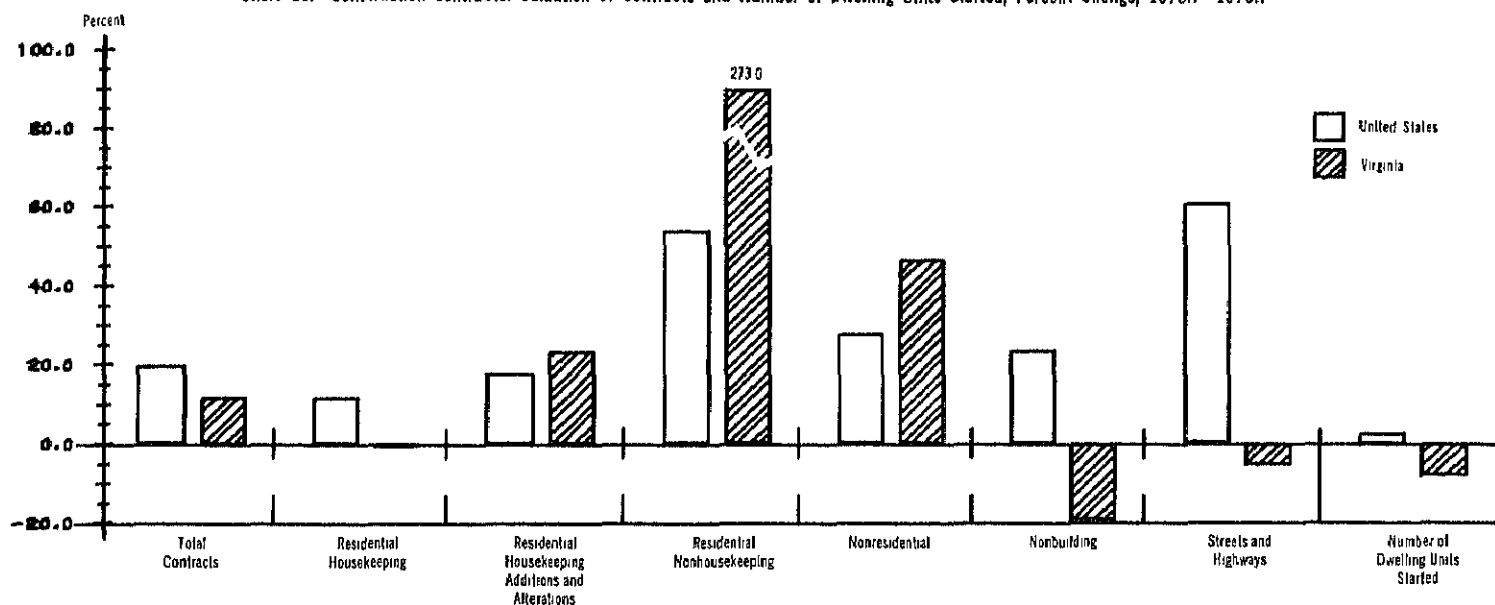


TABLE 6.—Construction Contracts, United States and Virginia¹

	United States		Virginia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	964,924	927,433	1,195,743	1,039,055	16.8	23.9	19.8	12.0
Residential housekeeping, additions and alterations Valuation (thousands of dollars)	5,904,299	6,962,771	157,683	133,350	198,628	164,872	14.6	26.0	17.9	23.6
All other contracts										
Number of contracts	53,028	53,454	1,496	1,369	1,459	1,485	-9.3	-2.5	.8	8.5
Valuation (thousands of dollars)	32,202,931	38,675,376	807,241	794,083	997,115	874,183	17.3	23.5	20.1	10.1
Floor area (thousands of square feet)	807,538	904,811	24,429	22,518	28,640	24,309	10.3	17.2	12.0	8.0
Residential housekeeping										
Number of contracts	13,592	14,399	383	377	391	385	-4.3	2.1	5.9	2.1
Number of dwelling units	404,171	414,826	10,553	10,018	11,119	9,210	-2	5.4	2.6	-8.1
Valuation (thousands of dollars)	13,806,696	15,431,523	374,792	367,459	434,858	366,114	15.6	16.0	11.8	-4
Floor area (thousands of square feet)	546,445	571,860	16,742	16,264	18,852	15,348	10.7	12.6	4.7	-5.5
Residential nonhousekeeping										
Number of contracts	441	464	15	14	13	16	-4	-13.3	5.2	14.3
Valuation (thousands of dollars)	327,201	504,158	9,276	5,016	9,339	18,710	54.9	7	54.1	273.0
Floor area (thousands of square feet)	8,179	11,483	462	139	136	390	34.7	-70.6	40.4	180.8
Nonresidential										
Number of contracts	25,282	23,514	761	629	709	621	-12.0	-6.8	-7.0	-1.3
Valuation (thousands of dollars)	9,056,146	11,595,243	255,061	225,523	418,859	331,321	16.3	64.2	28.0	46.9
Floor area (thousands of square feet)	252,915	321,468	7,225	6,115	9,652	8,572	8.7	33.6	27.1	40.2
Nonbuilding										
Number of contracts	13,713	15,077	337	349	346	463	-9.1	2.7	9.9	32.7
Valuation (thousands of dollars)	9,012,888	11,144,452	168,112	196,085	134,059	158,038	20.6	-20.3	23.7	-19.4
Streets and Highways										
Number of contracts	3,989	4,750	139	118	86	187	-17.8	-38.1	19.1	58.5
Valuation (thousands of dollars)	1,399,453	2,255,221	71,241	46,460	43,014	44,088	-18.1	-39.6	61.2	-5.3

1 Contracts started or expected to start within 60 days
2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales in Virginia totaled \$4.4 billion in 1979:I, up 13.9 percent (\$539 million) since 1978:I, compared with a national increase of 15.8 percent (table 7). In 1979:I, nondurable goods totaled \$2.8 billion, and durable goods totaled \$1.6 billion.

TABLE 7.—Retail Sales, United States and Virginia

	United States		Virginia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	4,396	3,872	4,885	4,411	11.2	11.1	15.8	13.9
Durable goods	55,388	68,203	n a	n a	1,632	1,621	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n a	n a	3,253	2,790	9.2	---	12.3	---

n a Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Virginia

	United States		Virginia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n a	2,129	2,585	2,331	n a	13.2	9.5	---	---
Total number of business failures	1,729	n a	20	12	37	n a	-4.9	85.0	---	---
Current liabilities (thousands of dollars)	697,734	n a	3,322	1,668	7,553	n a	13.7	127.4	---	---
Average liability per failure (thousands of dollars)	404	n a	166	139	204	n a	19.4	22.9	---	---
Business failures by industry										
Mining and manufacturing	271	n a	1	2	3	n a	6.0	200.0	---	---
Construction	279	n a	11	6	15	n a	-8.2	36.4	---	---
Wholesale trade	205	n a	0	1	1	n a	-6.3	---	---	---
Retail trade	769	n a	6	1	18	n a	-4	200.0	---	---
Commercial services	205	n a	2	2	2	n a	-23.5	0	---	---

n a Data not available.

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 15.5% vs. 12.6% in U.S., to \$35.2 billion
- Private service-type payrolls up 15.8% vs. 12.6% in U.S.
- Government payrolls up 8.0% vs. 6.6% in U.S.

Consumer prices

- Up 8.8% in Seattle and 11.5% in Portland vs. 9.9% in U.S.

Employment

- Up 5.1% vs. 3.8% in U.S., to 1.6 million

Unemployment

- Up 3,000, to 143,000
- Rate down 0.2 percentage point, to 8.1% of labor force vs. 6.3% in U.S.

Construction

- Total valuation of contracts up 6.0% vs. 19.8% in U.S., to \$1.1 billion
- Valuation of nonbuilding contracts down 50.0% vs. 23.7% gain in U.S., to \$128 million
- Number of dwelling-unit starts down 11.0% vs. 2.6% gain in U.S., to 12,668

TABLE 1.—Summary of Economic Indicators, United States and Washington

	United States		Washington				U S	State	U.S.	State
	1978:I	1979 I	1977:IV	1978:I	1978 IV	1979:I	1977:IV— 1978:IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	28,992	30,441	33,687	35,155	12.6	16.2	12.6	15.5
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	18,522	19,662	21,508	22,547	12.6	16.1	12.8	14.7
Civilian employment (thousands)	91,401	94,901	1,532	1,541	1,683	1,619	3.9	9.8	3.8	5.1
Unemployment (thousands)	6,705	6,360	124	140	108	143	-8.8	-13.4	-5.1	2.2
Percent unemployed (unemployment/labor force)	6.8	6.3	7.5	8.3	6.0	8.1	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	9,018	9,423	11,036	n.a.	15.6	22.4	---	---
Total deposits (millions of dollars)	911,772	n.a.	12,203	12,510	14,123	n.a.	9.3	15.7	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	825,560	1,068,546	1,064,750	1,132,760	16.8	29.0	19.8	6.0
Dwelling units started (number)	404,171	414,826	11,396	14,234	11,955	12,668	-2	4.9	2.6	-11.0
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	1,812	1,957	1,558	n.a.	13.2	-14.0	---	---
Business failures (number)	1,729	n.a.	65	68	27	n.a.	-4.9	-58.5	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Portland	188.4	207.0	---	191.9	207.8	214.0	8.9	---	9.9	11.5
Seattle	---	---	182.5	185.6	201.1	202.0	---	10.2	---	8.8

n.a. Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Washington increased 15.5 percent from 1978:I to 1979:I, leading the Nation's gain by almost 3 percentage points (table 2). In 1979:I, Washington's personal income totaled \$35.2 billion, up \$4.7 billion since 1978:I. During this timespan, consumer prices increased 8.8 percent in the Seattle metropolitan area and 11.5 percent in the Portland area (which includes Clark County, Washington); nationally, consumer prices increased 9.9 percent. If an average of the price increases in the two areas (10.1 percent) is used as an indicator for price increases throughout the State, real total personal income in Washington increased 5.4 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) in Washington increased 14.7 percent from 1978:I to 1979:I, leading the Nation's gain by almost 2

percentage points. All of the State's major industries except nondurables manufacturing registered payroll gains that led those of national counterparts. Construction payrolls increased 30.0 percent, Washington's largest payroll gain, to \$2.0 billion. The gain far exceeded a 21.3-percent national gain and ranked among the Nation's largest gains. Durables manufacturing payrolls increased 16.4 percent, just above the Nation's 16.2-percent gain, to \$4.0 billion.

Private service-type payrolls increased 15.8 percent, ranking ninth among all State gains; all four component industries registered large payroll gains. Transportation-communication-public utilities payrolls increased 19.1 percent, compared with 11.5 percent nationally, to \$1.7 billion. Trade payrolls, the State's largest, increased 15.5 percent versus 13.7 percent nationally, to \$4.1 billion. Services payrolls increased 14.9 percent, leading the Nation's gain by more than 3 percentage points, to \$3.2 billion. Finance-insurance-real estate payrolls increased 14.4 percent, comparing favorably with a 13.3-percent gain nationally, to \$1.1 billion.

Federal Government payrolls increased 9.1 percent, and State and local government payrolls increased 7.3 percent; both gains led those of national counterparts by more than 1 percentage point.

Reflecting the adverse effects of a lumber and paper mill strike that lasted until the middle of February 1979, nondurables manufacturing payrolls increased 4.7 percent, the State's smallest payroll gain. Washington's gain was in sharp contrast to the Nation's 9.9-percent average gain and ranked 45th among all States.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

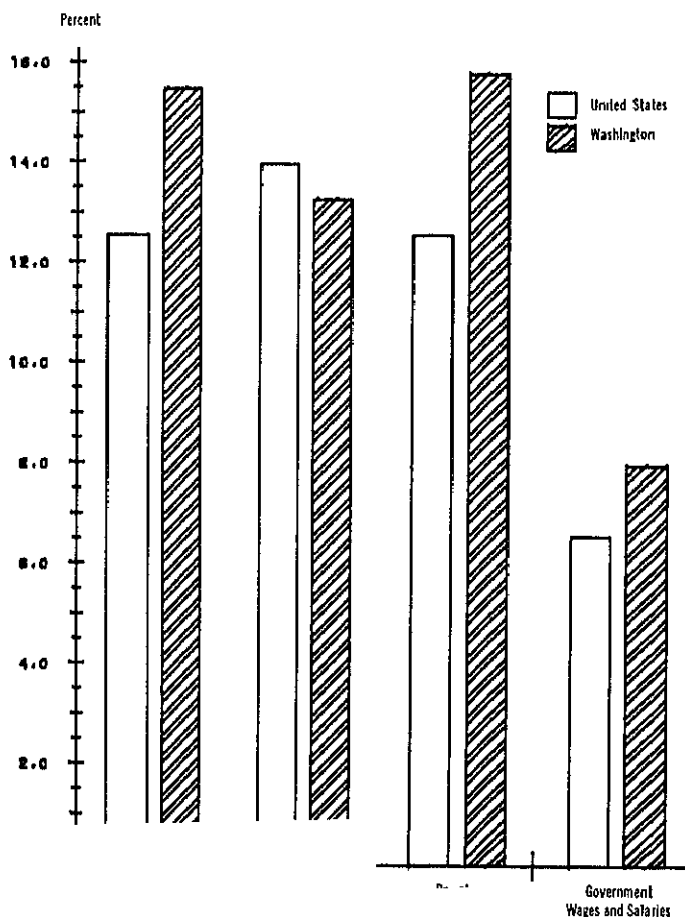


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

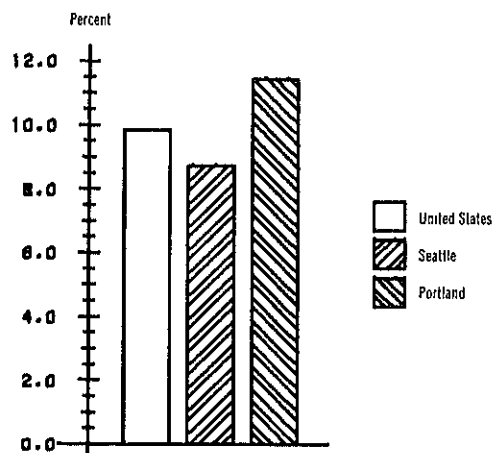


Chart 3.—Total Personal Income
[Seasonally adjusted]

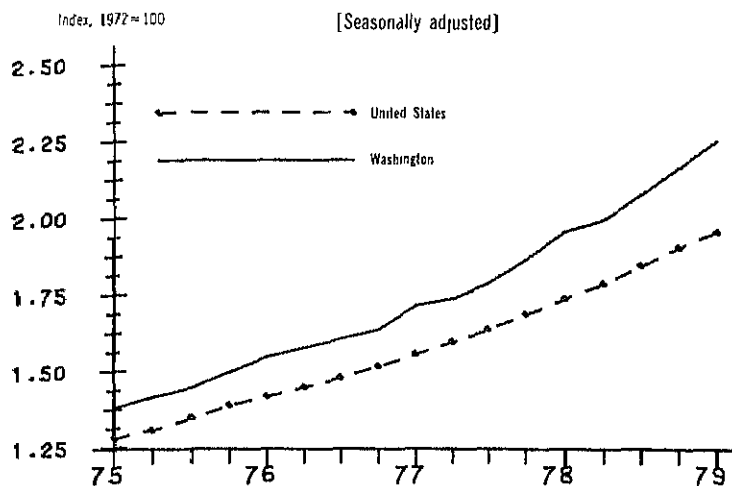


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

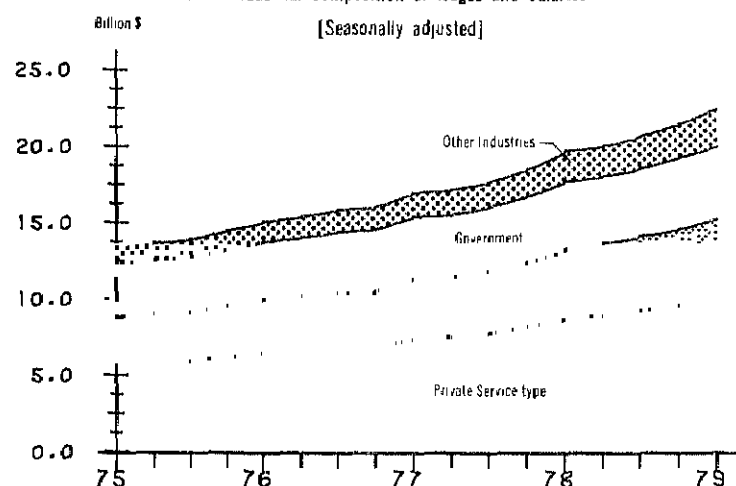


TABLE 2.—Personal Income, United States and Washington

	United States		Washington				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	28,992	30,441	33,687	35,155	12.6	16.2	12.6	15.5
Farm personal income	32,083	40,141	708	797	1,310	1,529	26.3	85.1	25.1	91.8
Nonfarm personal income	1,592,582	1,789,374	28,285	29,644	32,377	33,626	12.3	14.5	12.4	13.4
Total personal income	1,624,665	1,829,515	28,992	30,441	33,687	35,155	12.6	16.2	12.6	15.5
Wage and salary disbursements	1,042,716	1,176,598	18,522	19,662	21,508	22,547	12.6	16.1	12.8	14.7
Other labor income	99,957	115,833	1,374	1,491	1,658	1,744	16.4	20.6	15.9	17.0
Proprietors' income...	108,808	126,535	2,276	2,451	3,163	3,420	18.9	39.0	16.3	39.5
Farm	24,448	31,221	446	533	1,014	1,213	31.3	127.3	27.7	127.8
Nonfarm	84,360	95,314	1,829	1,918	2,148	2,207	15.3	17.4	13.0	15.0
Dividends, interest, and rent	221,191	250,595	3,810	3,930	4,287	4,438	12.8	12.5	13.3	12.9
Transfer payments	219,202	238,794	3,975	4,024	4,287	4,396	8.2	7.8	8.9	9.3
State unemployment insurance benefits	9,997	8,023	219	186	137	158	-30.3	-37.1	-19.7	-14.7
Less personal contributions	66,792	78,351	1,327	1,485	1,590	1,775	15.1	19.8	17.3	19.5
Plus residence adjustment	-417	-489	361	369	374	386	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	18,522	19,662	21,508	22,547	12.6	16.1	12.8	14.7
Farm	7,215	8,422	255	258	289	308	10.6	13.1	16.7	19.2
Nonfarm	1,035,501	1,168,176	18,267	19,404	21,219	22,239	12.6	16.2	12.8	14.6
Mining	12,013	19,166	40	45	61	70	33.9	50.1	59.5	55.8
Construction	56,564	68,593	1,333	1,509	1,733	1,961	20.1	30.0	21.3	30.0
Manufacturing	285,735	325,636	4,227	4,628	5,012	5,243	13.3	18.6	14.0	13.3
Durable goods	182,321	211,944	3,028	3,401	3,856	3,958	15.2	27.3	16.2	16.4
Nondurable goods	103,414	113,692	1,199	1,227	1,156	1,285	10.0	-3.5	9.9	4.7
Private service-type	473,132	532,823	8,222	8,712	9,623	10,086	13.1	17.0	12.6	15.8
Transportation, communication, and public utilities	79,598	88,755	1,361	1,423	1,601	1,695	11.3	17.7	11.5	19.1
Wholesale and retail trade	177,331	201,608	3,354	3,554	3,908	4,104	14.1	16.5	13.7	15.5
Finance, insurance, and real estate	55,930	63,373	928	989	1,095	1,132	13.2	18.0	13.3	14.4
Services	160,273	179,087	2,579	2,745	3,019	3,155	12.7	17.1	11.7	14.9
Government	204,558	218,008	4,323	4,377	4,649	4,725	6.9	7.5	6.6	8.0
Federal	68,698	73,916	1,663	1,676	1,790	1,828	7.1	7.6	7.6	9.1
State and local	135,860	144,092	2,660	2,701	2,860	2,898	6.8	7.5	6.1	7.3
Other	3,499	3,950	122	133	142	153	14.6	16.7	12.9	14.9

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Washington¹

	United States		Washington				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978 I	1978 IV	1979 I	1977 IV— 1978:IV		1978 I— 1979 I	
Index, 1967 = 100, not seasonally adjusted							Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Portland	188.4	207.0	---	191.9	207.8	214.0	8.9	---	9.9	11.5
Seattle	---	---	182.5	185.6	201.1	202.0	---	10.2	---	8.8

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2. Average for 85 representative urban areas based on the 1970 Census of Population.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Washington's civilian labor force increased 4.9 percent, exceeding the Nation's advance of 3.2 percent. Total employment increased 5.1 percent (from 1.5 million to 1.6 million), exceeding the Nation's advance of 3.8 percent. Washington's advances in both labor force and employment ranked 10th among all States advances.

With employment increasing by 78,000 and the labor force increasing by 81,000, the number of unemployed increased by 3,000. The unemployment rate declined 0.2 percentage point, to 8.1 percent of the labor force in 1979:I. Washington's unemployment rate was almost 2 percentage points above the Nation's rate and was the third highest State rate, after Alaska's and West Virginia's.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I
Washington

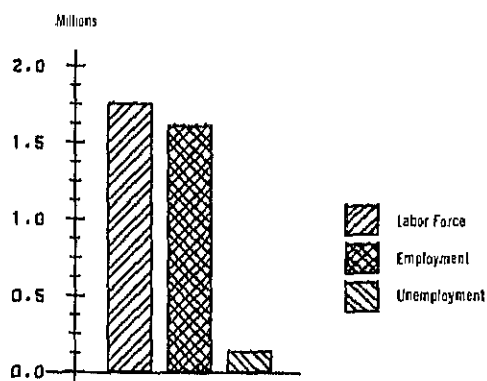


Chart 6.—Unemployment Rates, 1978:I—1979:I

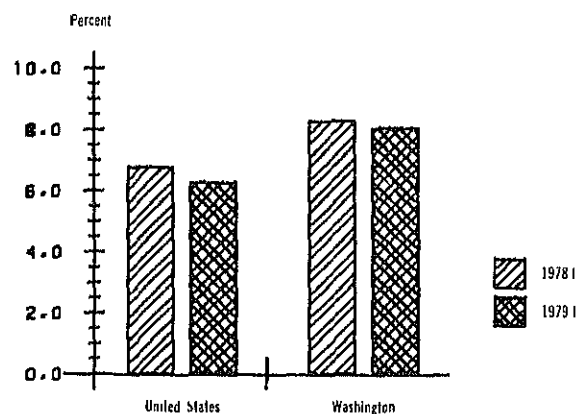


TABLE 4.—Labor Force, United States and Washington

	United States		Washington				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977.IV— 1978.IV		1978 I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,409	1,422	1,556	1,553	4.2	10.4	2.9	9.3
Mining	730	896	2	2	3	3	14.4	29.2	22.7	29.2
Construction	3,784	3,973	83	80	104	99	11.2	25.2	5.0	24.9
Manufacturing	20,064	20,652	261	272	294	296	3.6	12.7	2.9	9.1
Transportation, communication, and public utilities	4,779	4,943	80	80	90	90	4.4	11.5	3.4	12.3
Wholesale and retail trade	18,937	19,549	345	340	384	374	4.5	11.1	3.2	10.2
Finance, insurance, and real estate	4,601	4,790	78	80	88	88	5.2	12.0	4.1	9.9
Services	15,758	16,149	256	262	285	289	4.4	11.2	2.5	10.3
Government	15,435	15,648	303	306	310	313	1.4	2.3	1.4	2.3
Civilian labor force ³	98,106	101,260	1,657	1,681	1,791	1,762	3.1	8.1	3.2	4.9
Total employed	91,401	94,901	1,532	1,541	1,683	1,619	3.9	9.8	3.8	5.1
Total unemployed	6,705	6,360	124	140	108	143	-8.8	-13.4	-5.1	2.2
Percent unemployed	6.8	6.3	7.5	8.3	6.0	8.1	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

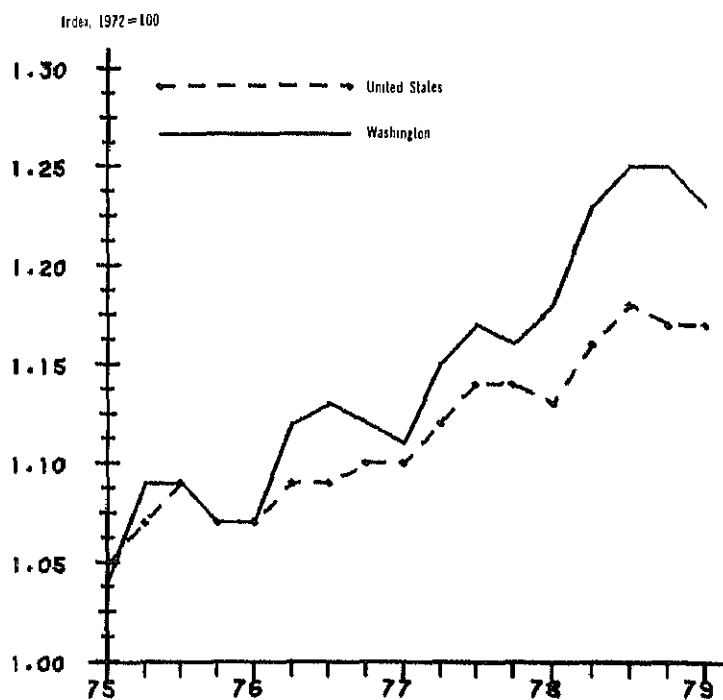


Chart 8.—Civilian Employment

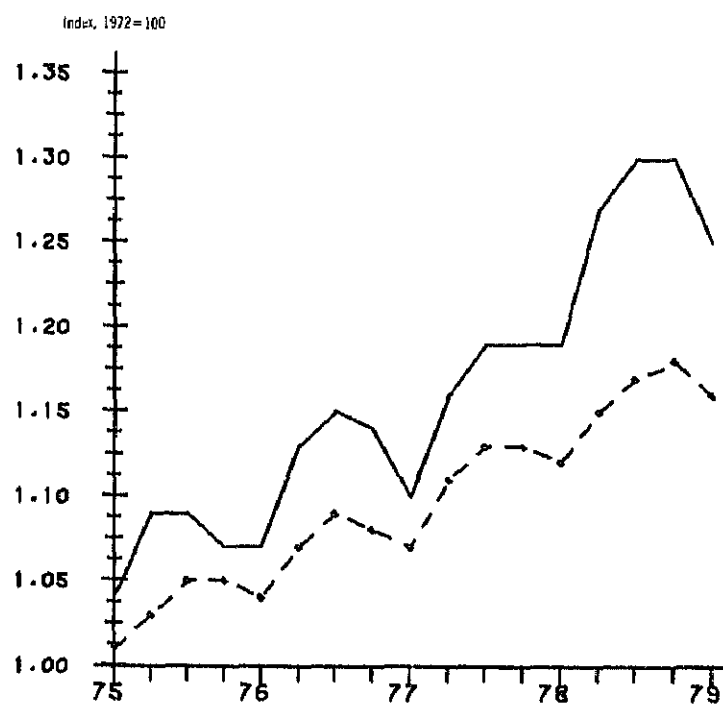


Chart 9.—Unemployment Rate

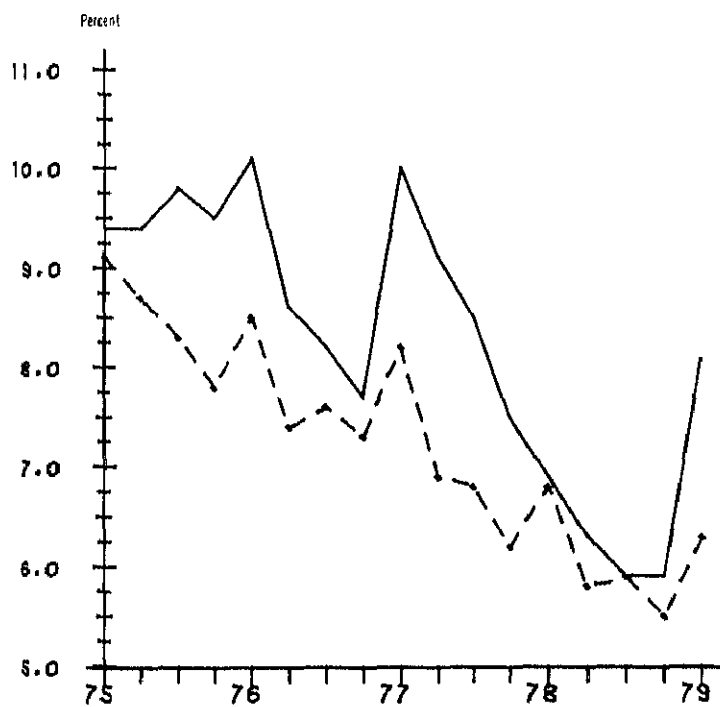
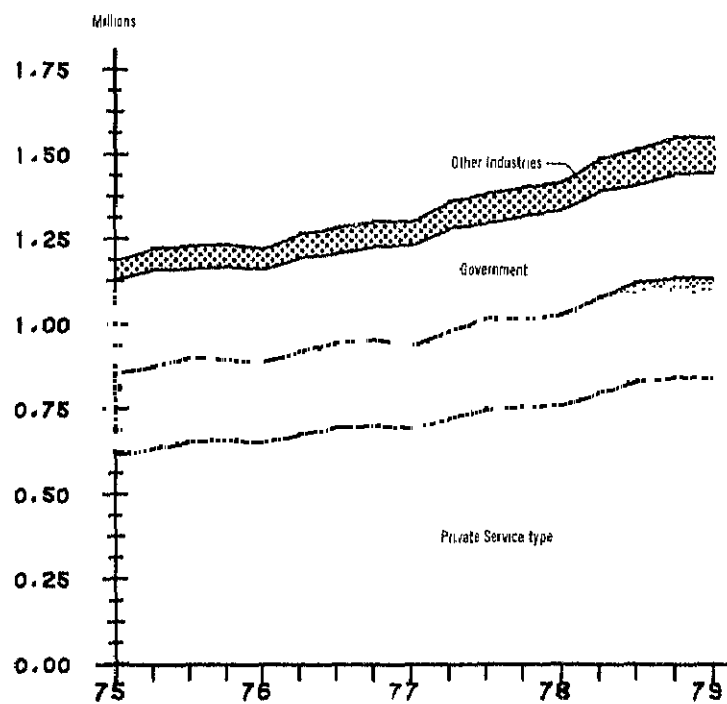


Chart 10.—Industrial Composition of Nonagricultural Employment: Washington



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Washington

	United States		Washington				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV -- 1978 IV	1978 I -- 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	9,018	9,423	11,036	n.a	15.6	22.4	---	---
Commercial and industrial	202,241	n.a	3,380	3,494	3,804	n.a	13.3	12.6	---	---
Loans to individuals	143,356	n.a	2,203	2,288	2,900	n.a	18.7	31.6	---	---
Real estate	183,599	n.a	2,386	2,538	3,043	n.a	19.6	27.5	---	---
Residential	104,830	n.a	1,409	1,483	1,722	n.a	22.1	22.2	---	---
Farms	7,919	n.a	39	40	46	n.a	9.6	17.1	---	---
Other	70,851	n.a	938	1,016	1,275	n.a	17.0	36.0	---	---
Farms, excluding real estate	25,440	n.a	477	494	512	n.a	9.5	7.4	---	---
Other	64,581	n.a	573	609	778	n.a	7.9	35.7	---	---
Total deposits	911,772	n.a.	12,203	12,510	14,123	n.a.	9.3	15.7	---	---
Demand	344,245	n.a	4,926	4,765	5,354	n.a	5.6	8.7	---	---
Time and savings	567,527	n.a	7,277	7,745	8,768	n.a	11.9	20.5	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans rose 22.4 percent in Washington from 1977:IV to 1978:IV, leading the national increase by almost 7.0 percentage points and ranking third (after Nevada and Arizona) among all State increases (table 5). Loans to individuals rose 31.6 percent, the largest increase in the Nation, to \$2.9 billion. Real estate loans rose 27.5 percent,

compared with a 19.6-percent national increase, to \$3.0 billion. Commercial and industrial loans rose 12.6 percent, marginally lagging the Nation's 13.3-percent increase, to \$3.8 billion.

Total deposits rose 15.7 percent, substantially exceeding the Nation's 9.3-percent increase and ranking among the largest State increases. Time and savings deposits rose 20.5 percent, the second largest increase in the Nation (after Oregon's), to \$8.8 billion. Demand deposits rose 8.7 percent versus 5.6 percent nationally, to \$5.4 billion.

Construction

The total valuation of contracts in Washington rose only 6.0 percent from 1978:I to 1979:I, less than one-third of the Nation's gain, to \$1.1 billion (table 6). A \$187 million contract in 1978:I for the construction of an electric generating facility in Benton County raised the State's total valuation of contracts to an unusually high level, thereby distorting the subsequent year-to-year change. If this contract is excluded, the State's total valuation would have increased 28.5 percent.

National construction costs rose about 14 percent from 1978:I to 1979:I; if this national rise reflects the cost advance throughout Washington, the real total valuation of contracts in the State (including the Benton County contract) declined about 8 percent, compared with a rise of about 6 percent nationally.

Reflecting the Benton County contract, the valuation of nonbuilding contracts in 1979:I fell to one-half of the 1978:I level. Washington's percentage decline was one of the largest in the Nation. Nationally, nonbuilding contracts rose 23.7 percent in valuation. The street and

highway component of nonbuilding contracts registered a 67.2-percent gain in valuation, to \$28 million; Washington's percentage gain led the Nation's by 6.0 percentage points.

Residential housekeeping contracts declined 3.5 percent in valuation, to \$504 million; the State was one of 18 that registered a decline. The number of dwelling units started declined 11.0 percent (more than 1,500) versus a 2.6-percent increase nationally, to 12,700 units in 1979:I. In contrast, additions and alterations to residential housekeeping units rose 31.4 percent in valuation, to \$143 million; Washington's gain ranked eighth among all States and substantially exceeded the Nation's 17.9-percent gain.

The valuation of nonresidential contracts more than doubled, from \$175 million in 1978:I to \$353 million in 1979:I. The percentage gain ranked eighth among all States and far outpaced the Nation's 28.0-percent average gain.

Chart 14.—Construction Contracts—Total Valuation

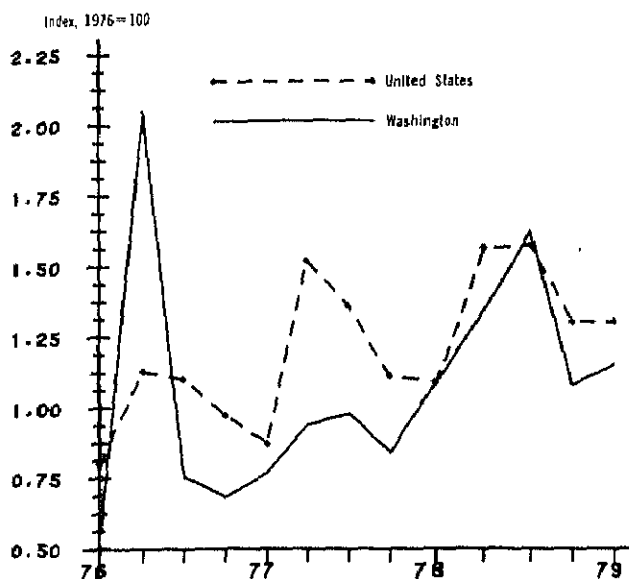


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Washington

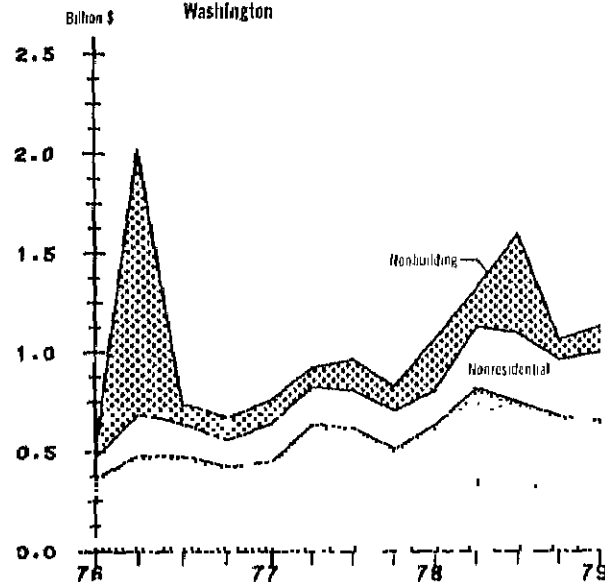


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

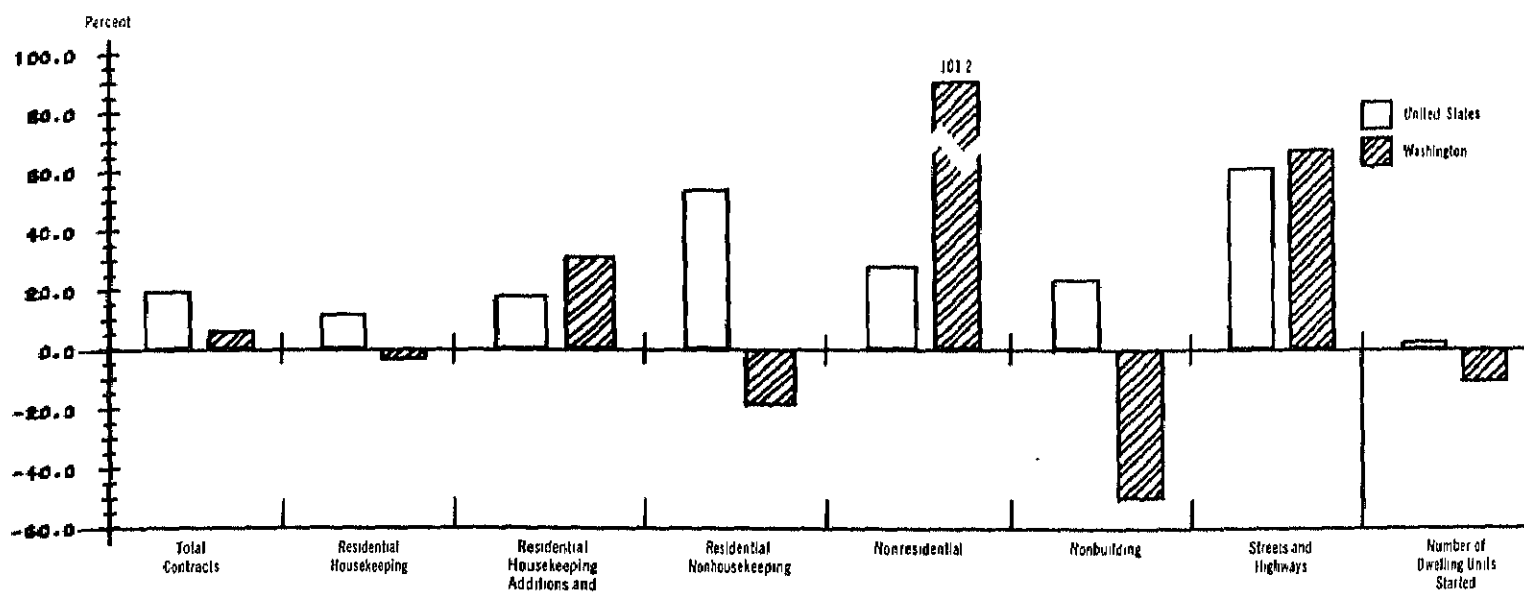


TABLE 6.—Construction Contracts, United States and Washington¹

	United States		Washington				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	825,560	1,068,546	1,064,750	1,132,760	16.8	29.0	19.8	6.0
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	141,323	108,593	178,473	142,665	14.6	26.3	17.9	31.4
All other contracts										
Number of contracts	53,028	53,454	924	912	1,007	1,097	-9.3	9.0	8	20.3
Valuation (thousands of dollars)	32,202,931	38,675,376	684,237	959,953	886,277	990,095	17.3	29.5	20.1	3.1
Floor area (thousands of square feet)	807,538	904,811	18,184	23,715	24,495	26,059	10.3	34.7	12.0	9.9
Residential housekeeping										
Number of contracts	13,592	14,399	265	301	273	300	-4.3	3.0	5.9	-3
Number of dwelling units	404,171	414,826	11,396	14,234	11,955	12,668	-2	4.9	2.6	-11.0
Valuation (thousands of dollars)	13,806,696	15,431,523	367,089	522,105	471,742	503,968	15.6	28.5	11.8	-3.5
Floor area (thousands of square feet)	546,445	571,860	12,982	18,512	15,778	16,390	10.7	21.5	4.7	-11.5
Residential nonhousekeeping										
Number of contracts	441	464	12	8	9	12	-4	-25.0	5.2	50.0
Valuation (thousands of dollars)	327,201	504,158	3,398	6,024	23,886	4,898	54.9	602.9	54.1	-18.7
Floor area (thousands of square feet)	8,179	11,483	138	195	536	103	34.7	288.9	40.4	-47.4
Nonresidential										
Number of contracts	25,282	23,514	437	401	516	552	-12.0	18.1	-7.0	37.7
Valuation (thousands of dollars)	9,056,146	11,585,243	192,645	175,459	291,486	353,102	16.3	51.3	28.0	101.2
Floor area (thousands of square feet)	252,915	321,468	5,064	5,008	8,180	9,567	8.7	61.5	27.1	91.0
Nonbuilding										
Number of contracts	13,713	15,077	210	202	209	233	-9.1	-5	9.9	15.3
Valuation (thousands of dollars)	9,012,888	11,144,452	121,105	256,365	99,163	128,127	20.6	-18.1	23.7	-50.0
Streets and Highways										
Number of contracts	3,989	4,750	63	55	77	79	-17.8	22.2	19.1	43.6
Valuation (thousands of dollars)	1,399,453	2,255,221	27,757	16,735	37,216	27,983	-18.1	34.1	61.2	67.2

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Washington are not available.

TABLE 7.—Retail Sales, United States and Washington

	United States		Washington				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Washington

	United States		Washington				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,812	1,957	1,558	n.a.	13.2	-14.0	---	---
Total number of business failures	1,729	n.a.	65	68	27	n.a.	-4.9	-58.5	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	8,530	13,470	6,508	n.a.	13.7	-23.7	---	---
Average liability per failure (thousands of dollars)	404	n.a.	131	198	241	n.a.	19.4	84.0	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	2	13	4	n.a.	6.0	100.0	---	---
Construction	279	n.a.	18	21	8	n.a.	-8.2	-55.6	---	---
Wholesale trade	205	n.a.	4	3	1	n.a.	-6.3	-75.0	---	---
Retail trade	769	n.a.	23	21	15	n.a.	-4	-34.8	---	---
Commercial services	205	n.a.	18	10	2	n.a.	-23.5	-88.9	---	---

n.a. Data not available
 Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 20.8% vs. 12.6% in U.S., to \$13.1 billion —Payrolls up 196.0% in mining vs. 59.5% in U.S. and 20.6% in durables manufacturing vs. 16.2% in U.S.
Consumer prices	—Up 12.8% in Pittsburgh vs. 9.9% in U.S.
Employment	—Up 4.2% vs. 3.8% in U.S., to 675,000
Unemployment	—Down 4,000, to 62,000 —Rate down to 8.4% of labor force vs. 6.3% U.S. rate
Construction	—Total valuation of contracts up 112.8% vs. 19.8% in U.S. —Valuation of nonbuilding contracts up 494.4% vs. 23.7% in U.S. —Number of dwelling-unit starts up 54.4% vs. 2.6% in U.S.

TABLE 1.—Summary of Economic Indicators, United States and West Virginia

	United States		West Virginia				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978 IV		1978 I— 1979:I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	11,570	10,849	12,829	13,109	12.6	10.9	12.6	20.8
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	7,325	6,558	8,078	8,281	12.6	10.3	12.8	26.3
Civilian employment (thousands)	91,401	94,901	655	648	684	675	3.9	4.3	3.8	4.2
Unemployment (thousands)	6,705	6,360	45	66	38	62	-8.8	-13.8	-5.1	-6.6
Percent unemployed (unemployment/labor force)	6.8	6.3	6.4	9.3	5.3	8.4	—	—	—	—
Total loans (millions of dollars)	619,218	n.a.	4,327	4,447	5,096	n.a.	15.6	17.8	—	—
Total deposits (millions of dollars)	911,772	n.a.	6,980	6,882	7,398	n.a.	9.3	6.0	—	—
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	215,670	174,391	273,130	371,093	16.8	26.6	19.8	112.8
Dwelling units started (number)	404,171	414,826	842	1,117	2,123	1,725	-2	152.1	2.6	54.4
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	—	15.8	—
New business incorporations (number)	115,247	n.a.	550	694	505	n.a.	13.2	-8.2	—	—
Business failures (number)	1,729	n.a.	5	4	5	n.a.	-4.9	.0	—	—
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	—	—	—	—	8.9	—	9.9	—
Pittsburgh	—	—	183.5	184.9	202.9	208.6	—	10.6	—	12.8

n.a. Data not available

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in West Virginia increased 20.8 percent from 1978:I to 1979:I, the second largest increase among all States, after Wyoming's (table 2). Nationally, personal income increased 12.6 percent. In 1979:I, the State's personal income totaled \$13.1 billion, up \$2.3 billion since 1978:I.

From 1978:I to 1979:I, the Consumer Price Index for the Pittsburgh metropolitan area increased 12.8 percent versus a national city average increase of 9.9 percent (table 3). If Pittsburgh's increase is used as an indicator for price movements in the State, real total personal income in West Virginia increased 8.0 percent from year to year versus a national increase of 2.7 percent.

Wage and salary disbursements (payrolls) increased 26.3 percent from year to year, more than twice the national increase. West Virginia's increase was the second largest in the Nation, after Wyoming's. In 1979:I, payrolls totaled \$8.3 billion in the State, up \$1.7 billion since 1978:I.

The sharp increase in West Virginia's total payrolls was mainly due to a 196.0-percent increase in mining payrolls, which reflected the resumption of coal mining after a miners' strike in 1978:I. West Virginia's increase was second only to Alabama's. Nationally, mining payrolls increased 59.5 percent from year to year.

Durable goods manufacturing payrolls increased 20.6 percent versus 16.2 percent nationally. Nondurable goods manufacturing payrolls increased 10.0 percent in the State, about the same as nationally.

Among private service-type payrolls, trade payrolls registered one of the largest increases in the Nation, 17.2 percent, or 3.5 percentage points more than nationally. Payrolls in transportation-communication-public utilities increased 16.2 percent versus 11.5 percent nationally. West Virginia's 13.1-percent increase in finance-insurance-real estate payrolls was about equal to the Nation's. In contrast, the State's 7.1-percent increase in services payrolls was one of the smallest in the Nation, lagging the national increase by 4.6 percentage points.

In government, payrolls at the Federal level increased 8.1 percent in West Virginia, somewhat more than nationally, while payrolls at the State and local level increased 5.2 percent, somewhat less than nationally.

Construction payrolls increased 17.8 percent in the State from year to year versus 21.3 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

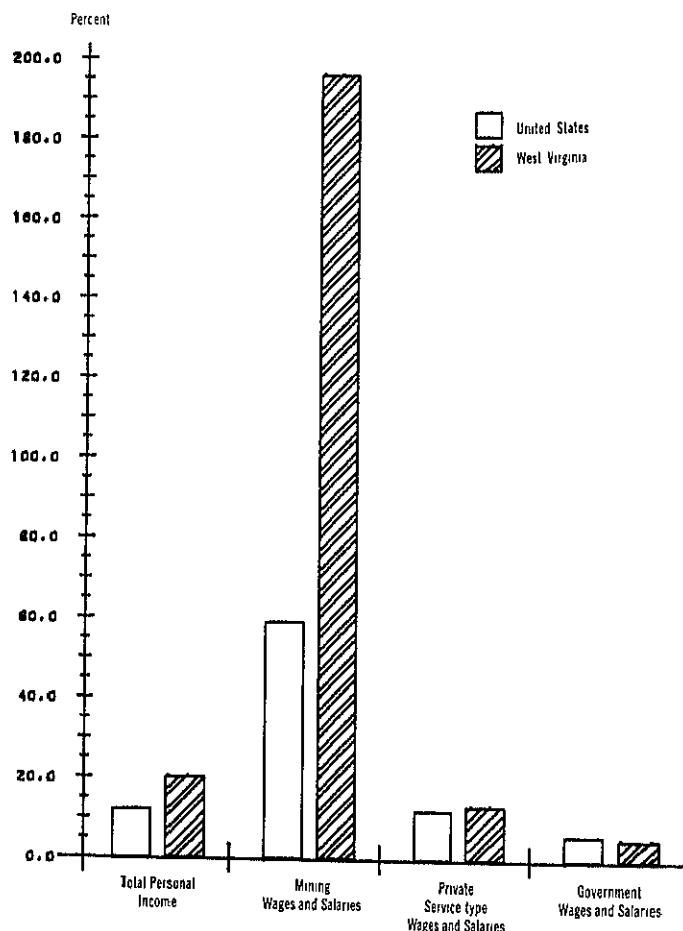


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

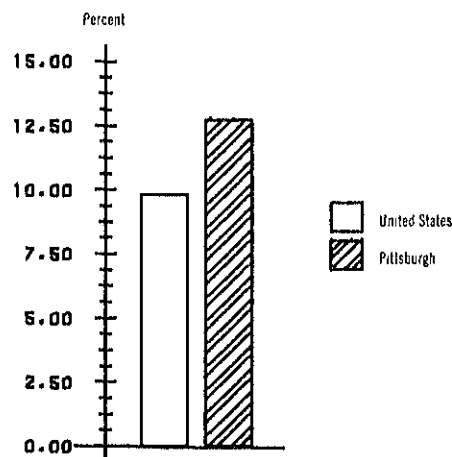


Chart 3.—Total Personal Income
[Seasonally adjusted]

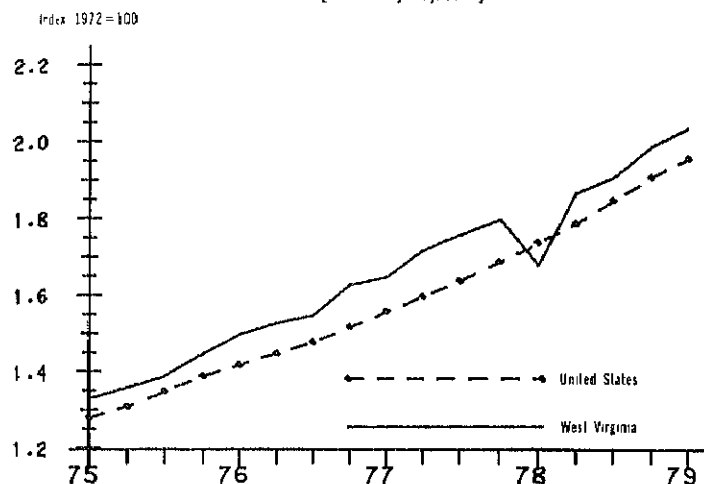


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

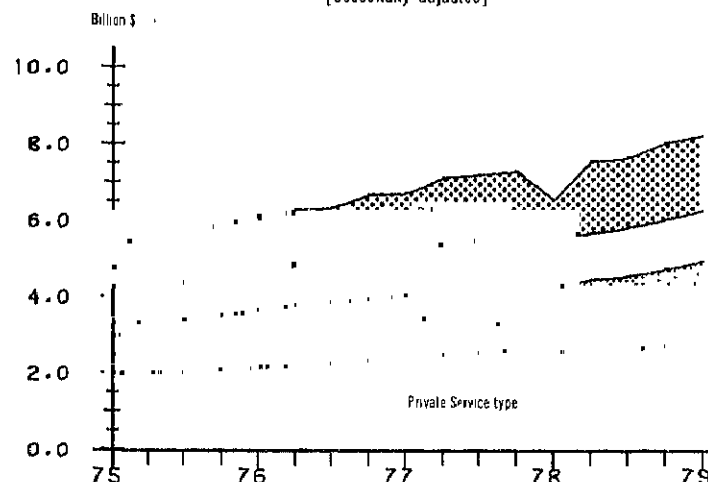


TABLE 2.—Personal Income, United States and West Virginia

	United States		West Virginia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	11,570	10,849	12,829	13,109	12.6	10.9	12.6	20.8
Farm personal income	32,083	40,141	21	19	21	23	26.3	-1.9	25.1	21.8
Nonfarm personal income	1,592,582	1,789,374	11,549	10,830	12,809	13,086	12.3	10.9	12.4	20.8
Total personal income	1,624,665	1,829,515	11,570	10,849	12,829	13,109	12.6	10.9	12.6	20.8
Wage and salary disbursements	1,042,716	1,176,598	7,325	6,558	8,078	8,281	12.6	10.3	12.8	26.3
Other labor income	99,957	115,833	859	695	1,014	1,028	16.4	18.1	15.9	47.9
Proprietors' income	108,808	126,535	632	640	726	734	18.9	14.8	16.3	14.8
Farm	24,448	31,221	12	10	12	13	31.3	-4.9	27.7	34.0
Nonfarm	84,360	95,314	620	630	714	721	15.3	15.2	13.0	14.5
Dividends, interest, and rent	221,191	250,595	1,207	1,242	1,351	1,398	12.8	12.0	13.3	12.5
Transfer payments	219,202	238,794	2,143	2,178	2,318	2,372	8.2	8.2	8.9	8.9
State unemployment insurance benefits	9,997	8,023	103	94	68	74	-30.3	-34.2	-19.7	-21.5
Less: personal contributions	66,792	78,351	461	416	516	560	15.1	12.0	17.3	34.4
Firm residence adjustment	-417	-489	-134	-48	-143	-145	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	7,325	6,558	8,078	8,281	12.6	10.3	12.8	26.3
Farm	7,215	8,422	9	8	9	9	10.6	2.7	16.7	7.8
Nonfarm	1,035,501	1,168,176	7,316	6,550	8,070	8,272	12.6	10.3	12.8	26.3
Mining	12,013	19,166	1,102	466	1,436	1,381	33.9	30.4	59.5	196.0
Construction	56,564	68,593	569	490	563	577	20.1	-1.1	21.3	17.8
Manufacturing	285,735	325,636	1,798	1,795	2,001	2,090	13.3	11.3	14.0	16.4
Durable goods	182,321	211,944	1,092	1,088	1,259	1,312	15.2	15.4	16.2	20.6
Nondurable goods	103,414	113,692	706	707	741	778	10.0	5.0	9.9	10.0
Private service type	473,132	532,823	2,625	2,542	2,761	2,895	13.1	5.2	12.6	13.9
Transportation, communication, and public utilities	79,598	88,755	630	600	664	697	11.3	5.5	11.5	16.2
Wholesale and retail trade	177,331	201,608	1,037	1,034	1,143	1,212	14.1	10.2	13.7	17.2
Finance, insurance, and real estate	55,930	63,373	212	213	230	240	13.2	8.4	13.3	13.1
Services	160,273	179,087	746	695	724	745	12.7	-2.9	11.7	7.1
Government	204,558	218,008	1,215	1,248	1,299	1,320	6.9	6.9	6.6	5.8
Federal	68,698	73,916	258	261	276	282	7.1	7.2	7.6	8.1
State and local	135,860	144,092	958	987	1,023	1,038	6.8	6.8	6.1	5.2
Other	3,499	3,950	8	9	9	10	14.6	14.1	12.9	12.3

¹ Detail may not add to totals because of rounding.
² Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and West Virginia¹

	United States		West Virginia				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Pittsburgh	---	---	183.5	184.9	202.9	208.6	---	10.6	---	12.8

¹ Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
² Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, West Virginia's civilian labor force increased 3.2 percent, the same as nationally (table 4). Total employment increased 4.2 percent (to 675,000), compared with a 3.8-percent national increase.

With employment increasing by 27,000 and the labor force increasing by 23,000, the number of unemployed declined by 4,000, to 62,000. West Virginia's unemployment rate declined by almost 1 percentage point, to 8.4 percent of the labor force in 1979:I, the second highest rate in the

Nation, after Alaska's 11.6-percent rate. In 1979:I, the national unemployment rate was 6.3 percent

The March 1979 preliminary unemployment rate for West Virginia was 7.3 percent. Among the State's major metropolitan areas, unemployment rates ranged from 6.2 percent in Wheeling to 4.4 percent in Charleston.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: West Virginia

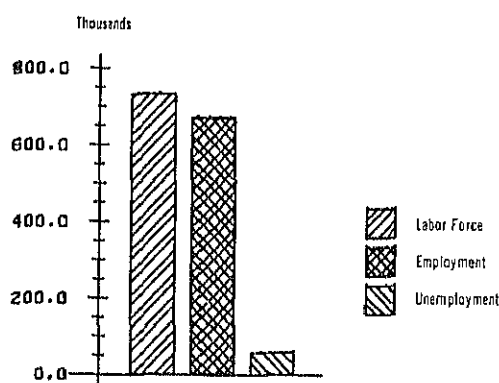


Chart 6.—Unemployment Rates, 1978:I—1979:I

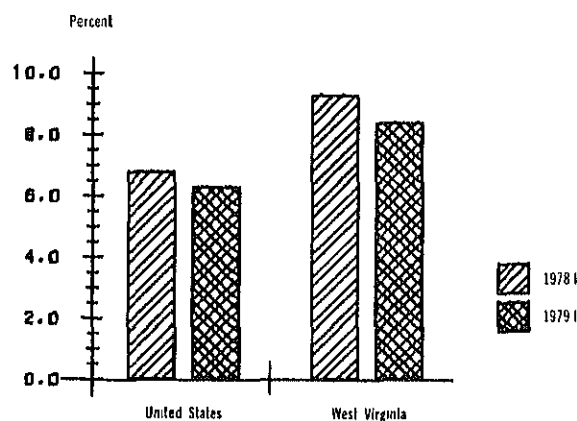


TABLE 4.—Labor Force, United States and West Virginia

	United States		West Virginia				U S	State	U S	State
	1978 I	1979.I	1977.IV	1978.I	1978.IV	1979.I	1977 IV— 1978 IV	1978 I— 1979 I		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,580	610	553	638	623	4.2	4.6	2.9	12.6
Mining	730	896	55	16	75	71	14.4	36.4	22.7	343.5
Construction	3,784	3,973	41	36	42	34	11.2	3.4	5.0	-5.6
Manufacturing	20,064	20,652	124	122	126	124	3.6	1.6	2.9	1.5
Transportation, communication, and public utilities	4,779	4,943	41	34	42	42	4.4	3.4	3.4	22.7
Wholesale and retail trade	18,937	19,549	128	125	129	128	4.5	.4	3.2	2.5
Finance, insurance, and real estate	4,601	4,790	20	21	21	21	5.2	1.5	4.1	1.0
Services	15,758	16,149	88	86	89	88	4.4	1.4	2.5	3.2
Government	15,435	15,648	114	114	115	115	1.4	1.7	1.4	.4
Civilian labor force ³	98,106	101,260	700	714	722	737	3.1	3.2	3.2	3.2
Total employed	91,401	94,901	655	648	684	675	3.9	4.3	3.8	4.2
Total unemployed	6,705	6,360	45	66	38	62	-8.8	-13.8	-5.1	-6.6
Percent unemployed	6.8	6.3	6.4	9.3	5.3	8.4	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

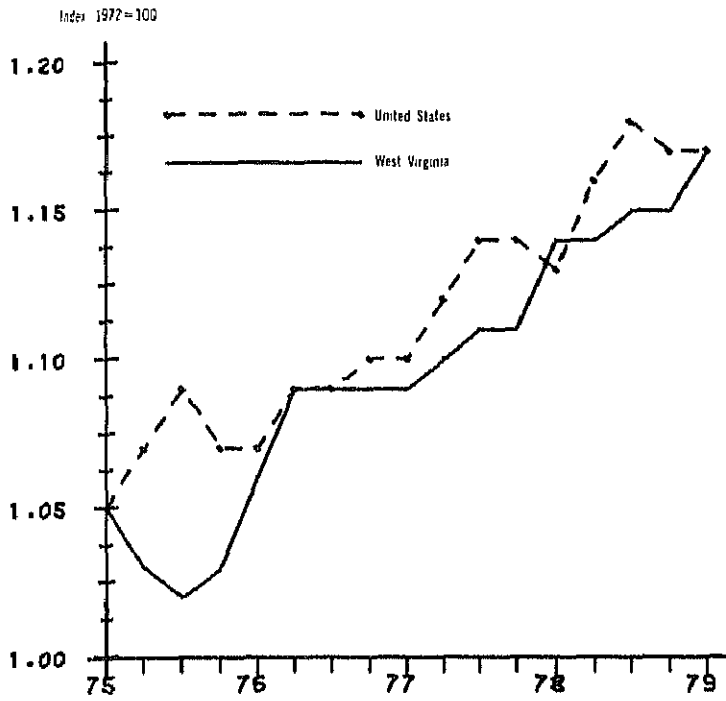


Chart 8.—Civilian Employment

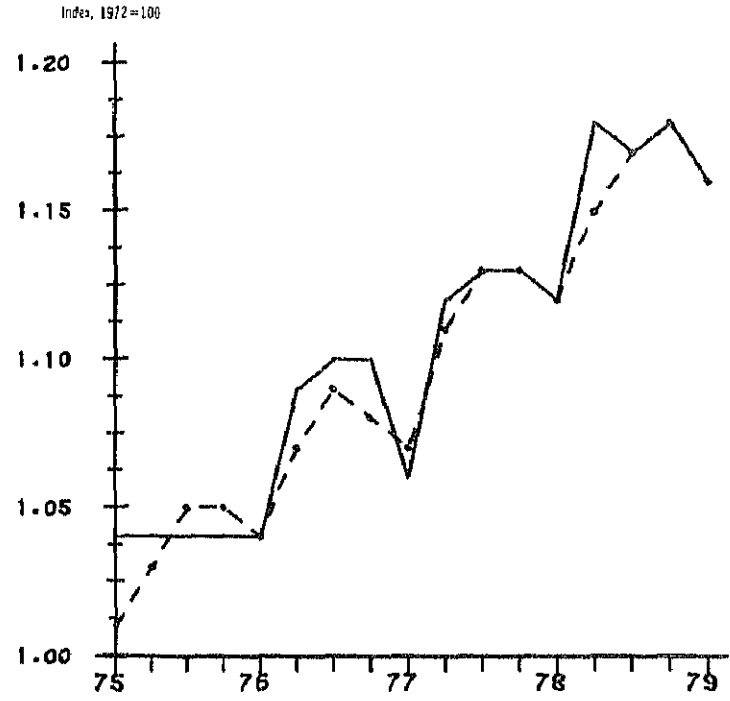


Chart 9.—Unemployment Rate

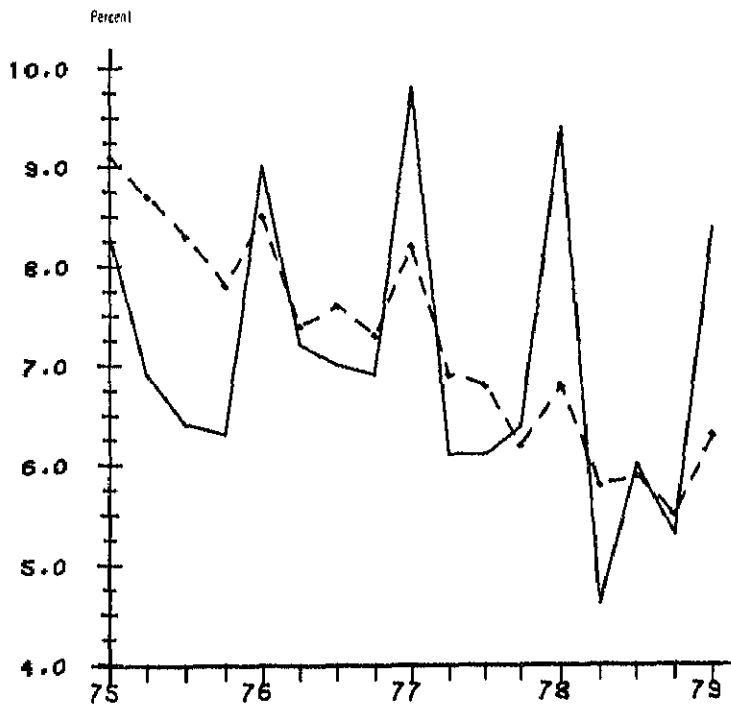
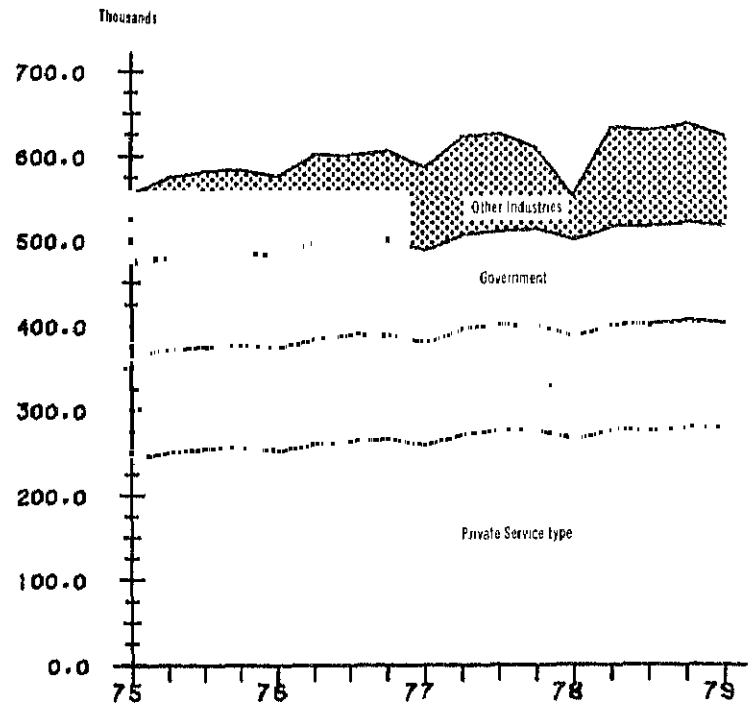


Chart 10.—Industrial Composition of Nonagricultural Employment: West Virginia



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and West Virginia

	United States		West Virginia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ¹			
Total loans	619,218	n.a.	4,327	4,447	5,096	n.a.	15.6	17.8	---	---
Commercial and industrial	202,241	n.a.	687	721	792	n.a.	13.3	15.4	---	---
Loans to individuals	143,356	n.a.	1,618	1,636	1,840	n.a.	18.7	13.8	---	---
Real estate	183,599	n.a.	1,899	1,969	2,327	n.a.	19.6	22.6	---	---
Residential	104,830	n.a.	1,354	1,407	1,681	n.a.	22.1	24.1	---	---
Farms	7,919	n.a.	75	76	86	n.a.	9.6	14.1	---	---
Other	70,851	n.a.	470	487	561	n.a.	17.0	19.4	---	---
Farms, excluding real estate	25,440	n.a.	34	34	32	n.a.	9.5	-5.3	---	---
Other	64,581	n.a.	90	87	105	n.a.	7.9	16.3	---	---
Total deposits	911,772	n.a.	6,980	6,882	7,398	n.a.	9.3	6.0	---	---
Demand	344,245	n.a.	2,209	1,968	2,208	n.a.	5.6	0	---	---
Time and savings	567,527	n.a.	4,771	4,915	5,189	n.a.	11.9	8.8	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 17.8 percent (\$769 million) in West Virginia from 1977:IV to 1978:IV, 2.2 percentage points more than nationally (table 5). In 1978:IV, bank loans totaled \$5.1 billion in the State. Real estate loans, which accounted for almost one-half of West Virginia's loans in 1978:IV, increased 22.6 percent from year to year, 3.0 percentage points more than nationally. Commercial and industrial loans increased 15.4

percent versus 13.3 percent nationally. In contrast, loans to individuals increased 13.8 percent in the State, 4.9 percentage points less than nationally.

Total deposits increased less in West Virginia, 6.0 percent, than nationally, 9.3 percent. The State's increase was one of the smallest among all States. In 1978:IV, bank deposits totaled \$7.4 billion in West Virginia, up \$418 million since 1977:IV. Demand deposits were the same in 1978:IV as in 1977:IV, and time and savings deposits increased 8.8 percent from year to year, 3.1 percentage points less than nationally.

Construction

From 1978:1 to 1979:1, the total valuation of construction contracts increased 112.8 percent (\$196.7 million), to \$371.1 million, compared with a 19.8-percent national increase (table 6). West Virginia's percentage gain was the fourth largest in the Nation. In 1979:1, \$167.1 million in contracts for the construction of two bridges in Ohio County, a roadway in Fayette County, a stadium-arena in Monongalia County, and a shopping center and a gymnasium-field house, both in Cabell County, raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. If all six contracts are excluded, the total valuation of contracts in West Virginia would have increased only 17.0 percent. From 1978:1 to 1979:1, national construction costs increased about 14 percent.

All construction categories in the State registered increases in valuation from year to year, most at above-national-average rates. Partly reflecting contracts for the three projects in Ohio and Fayette Counties, valued at \$82.1 million, the valuation of nonbuilding contracts increased almost 500 percent (\$111.7 million), compared with a 23.7-percent national increase. Street and highway contracts, a major component of nonbuilding contracts, increased over 600 percent (\$21.4

million), mainly reflecting the Fayette County roadway contract, valued at \$19.4 million. Nationally, street and highway contracts increased 61.2 percent in valuation.

The State's residential housekeeping contracts registered the largest increase in the Nation, 106.9 percent (\$34.8 million), compared with an 11.8-percent national increase. The number of dwelling units started increased 54.4 percent (608 units), to 1,725; the percentage increase was the third largest in the Nation, after increases in New Jersey and Florida. Nationally, the number of dwelling units started increased only 2.6 percent. The valuation of contracts for additions and alterations to West Virginia's residential housekeeping units increased 30.1 percent (\$13.0 million) versus 17.9 percent nationally.

Mainly reflecting the Cabell County shopping center contract, valued at \$52 million, and the Cabell County gymnasium-field house contract and the Monongalia County stadium-arena contract, each valued at \$16.5 million, the valuation of nonresidential contracts increased 49.5 percent (\$36.2 million), compared with a national increase of 28.0 percent.

Chart 14.—Construction Contracts—Total Valuation

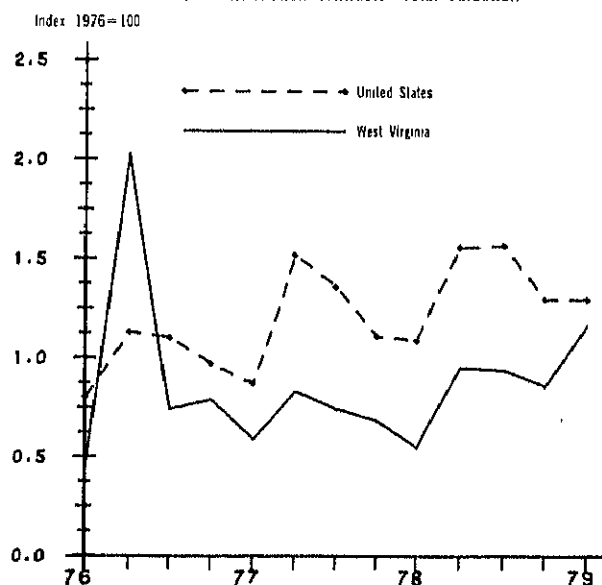


Chart 15.—Construction Contracts—Valuation of Contracts by Type: West Virginia

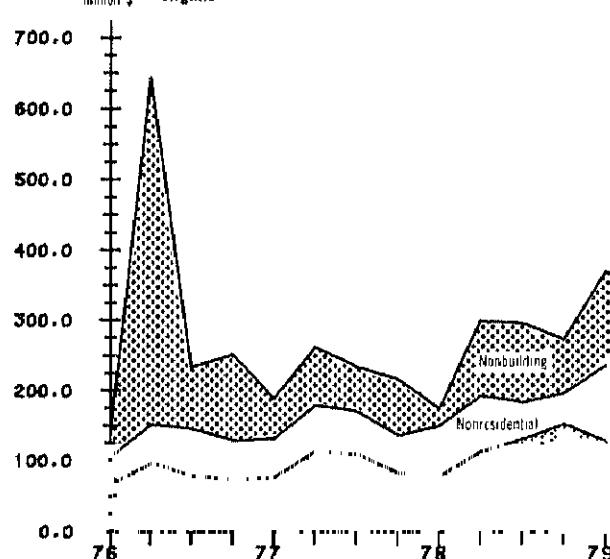


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:1—1979:1

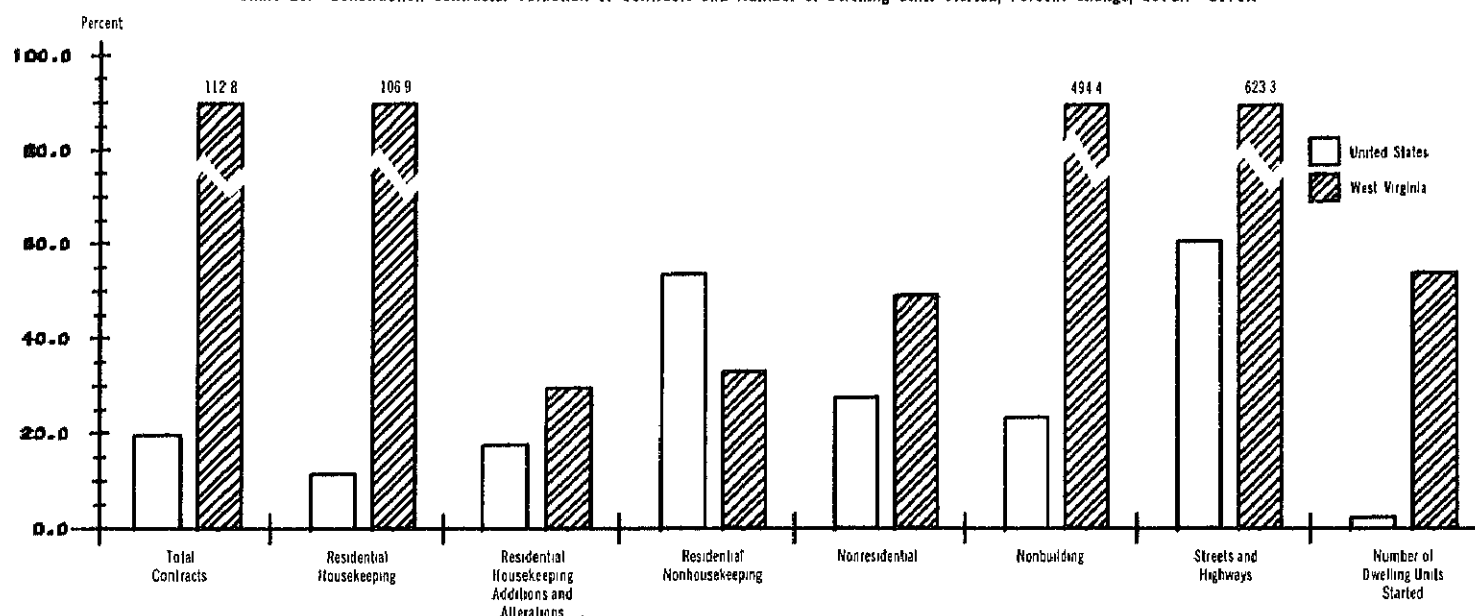


TABLE 6.—Construction Contracts, United States and West Virginia¹

	United States		West Virginia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	215,670	174,391	273,130	371,093	16.8	26.6	19.8	112.8
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	52,588	43,237	68,340	56,231	14.6	30.0	17.9	30.1
All other contracts										
Number of contracts	53,028	53,454	448	401	430	390	-9.3	-4.0	8	-2.7
Valuation (thousands of dollars)	32,202,931	38,675,376	163,082	131,154	204,790	314,862	17.3	25.6	20.1	140.1
Floor area (thousands of square feet)	807,538	904,811	2,438	3,158	4,188	5,244	10.3	71.8	12.0	66.1
Residential housekeeping										
Number of contracts	13,592	14,399	166	163	185	177	-4.3	11.4	5.9	8.6
Number of dwelling units	404,171	414,826	842	1,117	2,123	1,725	-2	152.1	2.6	54.4
Valuation (thousands of dollars)	13,806,696	15,431,523	28,922	32,553	75,789	67,365	15.6	162.0	11.8	106.9
Floor area (thousands of square feet)	546,445	571,860	1,214	1,410	2,981	2,668	10.7	145.5	4.7	89.1
Residential nonhousekeeping										
Number of contracts	441	464	2	5	3	5	-4	50.0	5.2	0
Valuation (thousands of dollars)	327,201	504,158	1,200	2,838	8,989	3,785	54.9	649.1	54.1	33.4
Floor area (thousands of square feet)	8,179	11,483	76	80	233	119	34.7	206.1	40.4	48.3
Nonresidential										
Number of contracts	25,282	23,514	139	135	109	101	-12.0	-21.6	-7.0	-25.2
Valuation (thousands of dollars)	9,056,146	11,595,243	53,705	73,158	44,360	109,358	16.3	-17.4	28.0	49.5
Floor area (thousands of square feet)	252,915	321,468	1,149	1,667	975	2,457	8.7	-15.1	27.1	47.4
Nonbuilding										
Number of contracts	13,713	15,077	141	98	133	107	-9.1	-5.7	9.9	9.2
Valuation (thousands of dollars)	9,012,888	11,144,452	79,255	22,605	75,652	134,354	20.6	-4.5	23.7	494.4
Streets and Highways										
Number of contracts	3,989	4,750	65	28	53	24	-17.8	-18.5	19.1	-14.3
Valuation (thousands of dollars)	1,399,453	2,255,221	51,877	3,431	33,629	24,815	-18.1	-35.2	61.2	623.3

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for West Virginia are not available.

TABLE 7.—Retail Sales, United States and West Virginia

	United States		West Virginia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available.

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and West Virginia

	United States		West Virginia				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	550	694	505	n.a.	13.2	-8.2	---	---
Total number of business failures	1,729	n.a.	5	4	5	n.a.	-4.9	.0	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	386	654	458	n.a.	13.7	18.7	---	---
Average liability per failure (thousands of dollars)	404	n.a.	77	164	92	n.a.	19.4	19.5	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	0	0	n.a.	6.0	---	---	---
Construction	279	n.a.	1	1	1	n.a.	-8.2	.0	---	---
Wholesale trade	205	n.a.	0	0	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	2	2	2	n.a.	-4	0	---	---
Commercial services	205	n.a.	2	1	2	n.a.	-23.5	.0	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 10.8%, 1.8 percentage points less than in U.S. —Large decline in farm income —Nonfarm income up 12.1%, about the same as in U.S.
Consumer prices	—Up 11.4% in Milwaukee vs. 9.9% in U.S.
Employment	—Up 4.9% vs. 3.8% in U.S., to 2.2 million
Unemployment	—Down 22,000, to 115,000 —Rate down to 5.0% of labor force vs. 6.3% in U.S.
Construction	—Total valuation of contracts up 18.5% vs. 19.8% in U.S., to \$680 million —Housing market weak —Number of dwelling-unit starts down 12.1% vs. an increase of 2.6% in U.S., to 5,589
Retail sales	—Up 14.9% vs. 15.8% in U.S., to \$3.9 billion

TABLE 1.—Summary of Economic Indicators, United States and Wisconsin

	United States		Wisconsin				U S	State	U S	State
	1978 I	1979: I	1977: IV	1978: I	1978 IV	1979: I	1977 IV— 1978 IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	33,288	34,225	36,905	37,937	12.6	10.9	12.6	10.8
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	20,660	21,280	23,250	24,038	12.6	12.5	12.8	13.0
Grant an employment (thousands)	91,401	94,901	2,145	2,091	2,235	2,194	3.9	4.2	3.8	4.9
Unemployment (thousands)	6,705	6,360	99	137	108	115	-8.8	9.3	-5.1	-16.4
Percent unemployed (unemployment/labor force)	6.8	6.3	4.4	6.2	4.6	5.0	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	12,387	12,741	14,204	n.a.	15.6	14.7	---	---
Total deposits (millions of dollars)	911,772	n.a.	18,539	18,232	19,541	n.a.	9.3	5.4	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	865,847	573,704	823,467	679,572	16.8	-4.9	19.8	18.5
Dwelling units started (number)	404,171	414,826	11,561	6,355	8,696	5,589	-.2	-24.8	2.6	-12.1
Total retail sales (millions of dollars)	167,940	194,529	4,222	3,401	4,774	3,907	11.2	13.1	15.8	14.9
New business incorporations (number)	115,247	n.a.	1,371	1,476	1,413	n.a.	13.2	3.1	---	---
Business failures (number)	1,729	n.a.	22	16	25	n.a.	-4.9	13.6	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Milwaukee	---	---	181.6	184.6	200.7	205.6	---	10.5	---	11.4

n.a. Data not available

Source: See tables 2 through 8.

Analysis

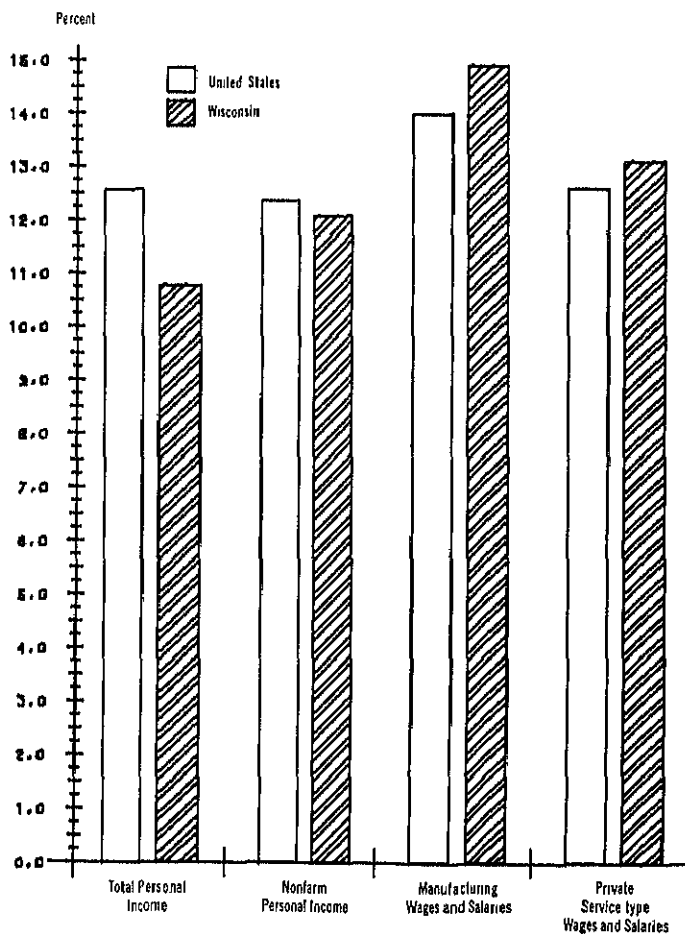
Personal Income

Total personal income (seasonally adjusted at annual rates) increased 10.8 percent from 1978:I to 1979:I, 1.8 percentage points less than in the Nation (table 2). In 1979:I, Wisconsin's total personal income was \$37.9 billion, for an increase of \$3.7 billion since 1978:I. Among the Great Lakes States, Wisconsin and Illinois had the smallest increases.

Farm income declined substantially in Wisconsin, in contrast to a large increase in the Nation. Nonfarm income in Wisconsin increased 12.1 percent, only 0.3 percentage point less than in the Nation.

Consumer prices from 1978:I to 1979:I increased 11.4 percent in the Milwaukee metropolitan area, well above the national increase of 9.9 percent (table 3). If the increase in Milwaukee is used as an indicator for price movements in the State, real total personal income in Wisconsin declined 0.6 percent from year to year versus a 2.7-percent increase nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 13.0 percent in Wisconsin, 0.2 percentage point more than in the Nation. In 1979:I, payrolls totaled \$24.0 billion, for an increase of \$2.8 billion since 1978:I.

Manufacturing payrolls in the State increased 14.9 percent versus 14.0 percent in the Nation. Strength was concentrated in durables manufacturing, up 17.8 percent versus 16.2 percent in the Nation. Durables manufacturing payrolls accounted for 26 percent of Wisconsin's total payrolls in 1979:I, in contrast to a national weight of 18 percent. Nondurables payrolls increased 9.1 percent in the State versus 9.9 percent in the Nation.

Payrolls in private service-type industries increased 13.1 percent in the State and 12.6 percent in the Nation. The increases in wholesale and retail trade and services were larger in Wisconsin than in the Nation. The increase in finance-insurance-real estate in both the State and Nation was about 13.2 percent. Payrolls in transportation-communication-public utilities increased 10.9 percent in Wisconsin and 11.5 percent in the Nation. Construction payrolls increased 16.4 percent versus 21.3 percent nationally.

Government payrolls increased somewhat less in Wisconsin than in the Nation. The lag centered in State and local government payrolls, up 5.5 percent in Wisconsin versus 6.1 percent in the Nation. In sharp contrast, Federal Government payrolls increased 9.0 percent in Wisconsin, 1.4 percentage points more than in the Nation.

Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

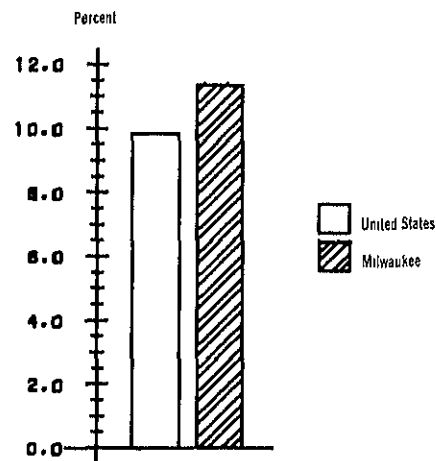


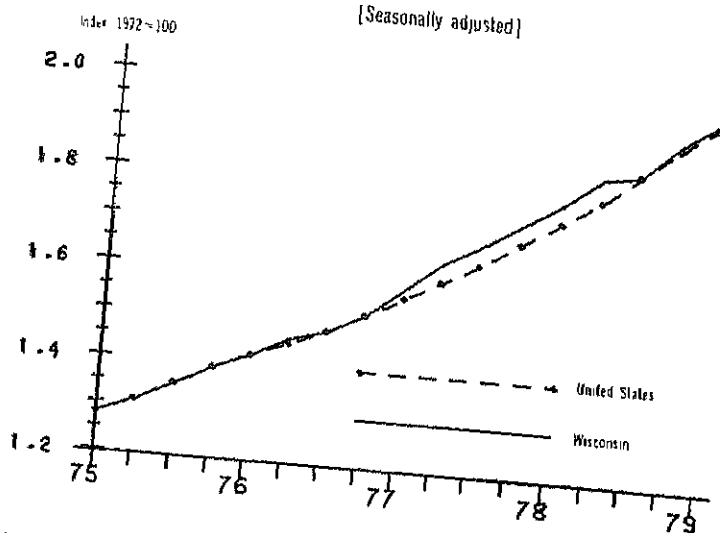
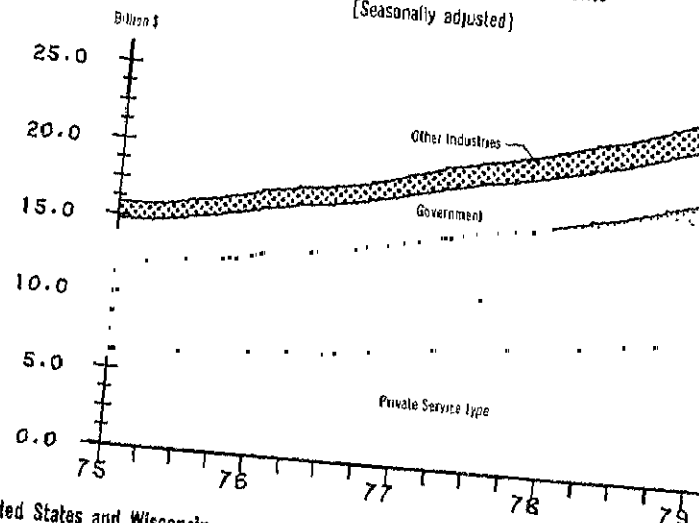
Chart 3—Total Personal Income
[Seasonally adjusted]Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

TABLE 2.—Personal Income, United States and Wisconsin

	United States		Wisconsin				U.S.		State		
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1977 IV— 1978 IV	1978 I— 1979 I	State
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²				
Total personal income	1,624,665	1,829,515	33,288	34,225	36,905	37,937	12.6	10.9	12.6	10.8	
Farm personal income	32,083	40,141	1,513	1,527	1,245	1,270	26.3	-17.7	25.1	-16.8	
Nonfarm personal income	1,592,582	1,789,374	31,775	32,698	35,659	36,667	12.3	12.2	12.4	12.1	
Total personal income	1,624,665	1,829,515	33,288	34,225	36,905	37,937	12.6	10.9	12.6	10.8	
Wage and salary disbursements	1,042,716	1,176,598	20,660	21,280	23,250	24,038	12.6	12.5	12.8	13.0	
Other labor income	99,957	115,833	2,063	2,145	2,386	2,475	16.4	15.7	15.9	15.4	
Proprietors income	108,808	126,535	3,034	3,109	2,984	3,002	18.9	-1.6	16.3	-3.4	
Farm	24,448	31,221	1,345	1,358	1,058	1,072	31.3	-21.3	27.7	-21.1	
Nonfarm	84,360	95,314	1,689	1,751	1,926	1,931	15.3	14.4	13.0	10.3	
Dividends, interest, and rent	221,191	250,595	4,381	4,510	4,907	5,073	12.8	12.0	13.3	12.5	
Transfer payments	219,202	238,794	4,098	4,208	4,469	4,569	8.2	9.1	8.9	8.6	
State unemployment insurance benefits	66,792	78,351	134	161	103	113	-30.3	-23.0	-19.7	-29.9	
Less: personal contributions	9,997	8,023	134	161	103	113	15.1	14.8	17.3	17.2	
FICA residence adjustment	-417	-489	368	384	418	432					
Wage and salary disbursements	1,042,716	1,176,598	20,660	21,280	23,250	24,038	12.6	12.5	12.8	13.0	
Farm	7,215	8,422	164	165	182	193	10.6	11.2	16.7	17.3	
Nonfarm	1,035,501	1,168,176	20,496	21,115	23,067	23,845	12.6	12.5	12.8	12.9	
Manufacturing	12,013	19,166	34	33	42	48	33.9	22.7	59.5	46.1	
Durable goods	56,564	68,593	1,152	1,265	1,410	1,473	20.1	22.4	21.3	16.4	
Non-durable goods	285,735	325,636	7,771	7,964	8,846	9,152	13.3	13.8	14.0	14.9	
Private service type	182,321	211,944	5,218	5,325	6,022	6,273	15.2	15.4	16.2	17.8	
Transportation, communication, and public utilities	103,414	113,692	2,553	2,639	2,824	2,879	10.0	10.6	9.9	9.1	
Wholesale and retail trade	473,132	532,823	8,174	8,421	9,187	9,529	13.1	12.4	11.5	10.9	
Finance, insurance, and real estate	79,598	88,755	1,251	1,284	1,373	1,425	11.3	9.7	13.7	13.2	
Services	177,331	201,608	3,251	3,336	3,675	3,824	14.1	13.0	13.7	14.6	
Government	55,930	63,373	907	904	996	1,023	13.2	9.8	13.3	13.2	
Federal	160,273	179,087	2,765	2,897	3,143	3,257	12.7	13.7	11.7	12.4	
State and local	204,558	218,008	3,309	3,371	3,518	3,573	6.9	6.3	6.6	6.0	
Other	68,698	73,916	473	477	510	520	7.1	8.0	7.6	9.0	
	135,860	144,092	2,837	2,894	3,007	3,053	6.8	6.0	6.1	5.5	
	3,499	3,950	56	61	65	70	14.6	16.5	12.9	14.7	

¹ Detail may not add to totals because of rounding.
² Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Wisconsin¹

	United States		Wisconsin				U.S.		State		
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1977 IV— 1978 IV	1978 I— 1979 I	State
	Index, 1967=100, not seasonally adjusted						Percent change				
U.S. city average ²	188.4	207.0	181.6	184.6	200.7	205.6	8.9	10.5	9.9	11.4	
Milwaukee											

¹ Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
² Average for 85 representative urban areas based on the 1970 Census of Population.
 Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978 I to 1979:I, the civilian labor force increased 3.6 percent in Wisconsin, 0.4 percentage point more than in the Nation (table 4). Total employment increased 4.9 percent, 1.1 percentage points more than in the Nation, to 2.2 million. Among all States, Wisconsin's increase was the 15th largest, and among the Great Lakes States, Wisconsin's increase, along with Ohio's, was the largest.

With the labor force increasing 81,000 and employment increasing 103,000, unemployment declined 22,000, to 115,000. The State's

unemployment rate declined 1.2 percentage points, to 5.0 percent in 1979:I. Nationally, the unemployment rate declined 0.5 percentage point, to 6.3 percent. Wisconsin's unemployment rate was the lowest in the Great Lakes region, and the decline in the unemployment rate was the second largest in the Great Lakes region. Most Great Lakes States had unemployment rates that were less than or near the national average in 1979:I.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Wisconsin

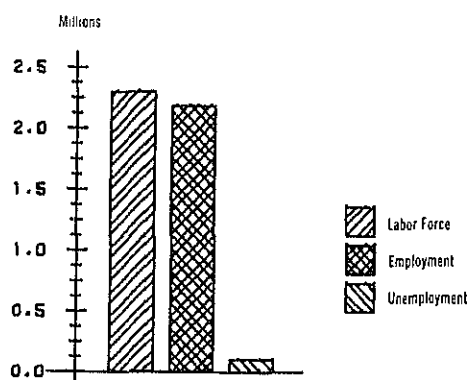


Chart 6.—Unemployment Rates, 1978:I—1979:I

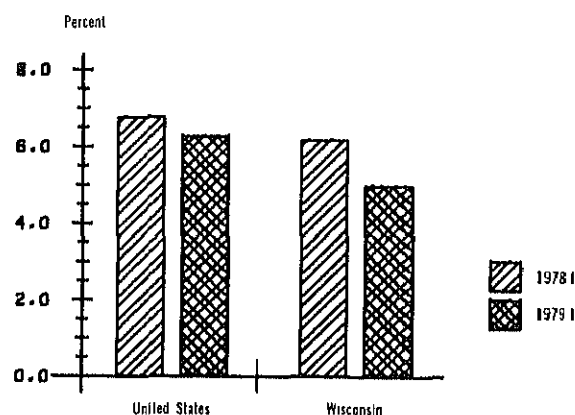


TABLE 4.—Labor Force, United States and Wisconsin

	United States		Wisconsin				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978 IV	1979:I	1977:IV— 1978 IV		1978 I— 1979 I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,847	1,809	1,932	1,886	4.2	4.6	2.9	4.2
Mining	730	896	3	2	3	2	14.4	.0	22.7	4.8
Construction	3,784	3,973	79	68	90	73	11.2	13.8	5.0	7.0
Manufacturing	20,064	20,652	551	546	571	563	3.6	3.6	2.9	3.1
Transportation, communication, and public utilities	4,779	4,943	88	84	91	88	4.4	3.4	3.4	4.3
Wholesale and retail trade	18,937	19,549	424	405	449	431	4.5	6.0	3.2	6.4
Finance, insurance, and real estate	4,601	4,790	82	83	87	88	5.2	5.7	4.1	5.7
Services	15,758	16,149	324	324	342	342	4.4	5.6	2.5	5.6
Government	15,435	15,648	296	296	299	299	1.4	1.1	1.4	.8
Civilian labor force ³	98,106	101,260	2,244	2,229	2,343	2,309	3.1	4.4	3.2	3.6
Total employed	91,401	94,901	2,145	2,091	2,235	2,194	3.9	4.2	3.8	4.9
Total unemployed	6,705	6,360	99	137	108	115	-8.8	9.3	-5.1	-16.4
Percent unemployed	6.8	6.3	4.4	6.2	4.6	5.0	---	---	---	---

¹ Detail may not add to totals because of rounding

² Based on unrounded data

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

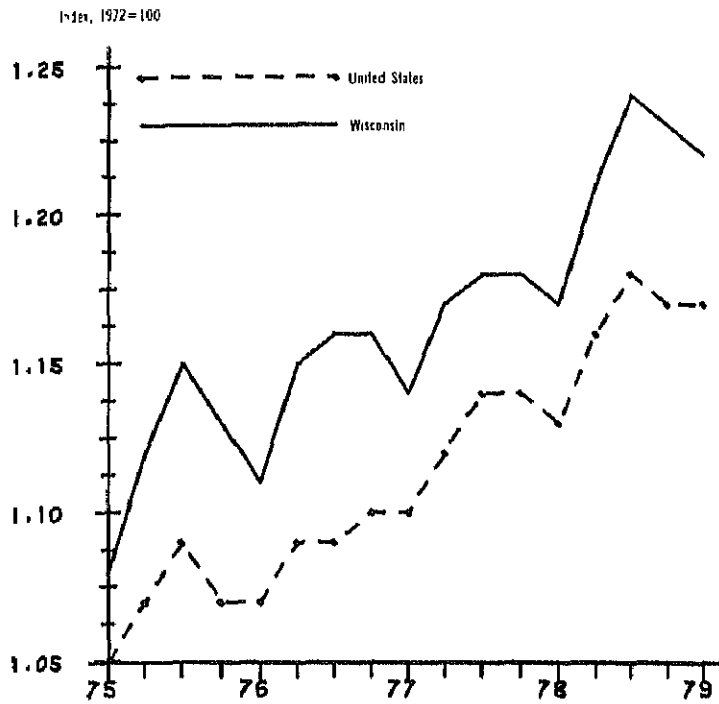


Chart 8.—Civilian Employment

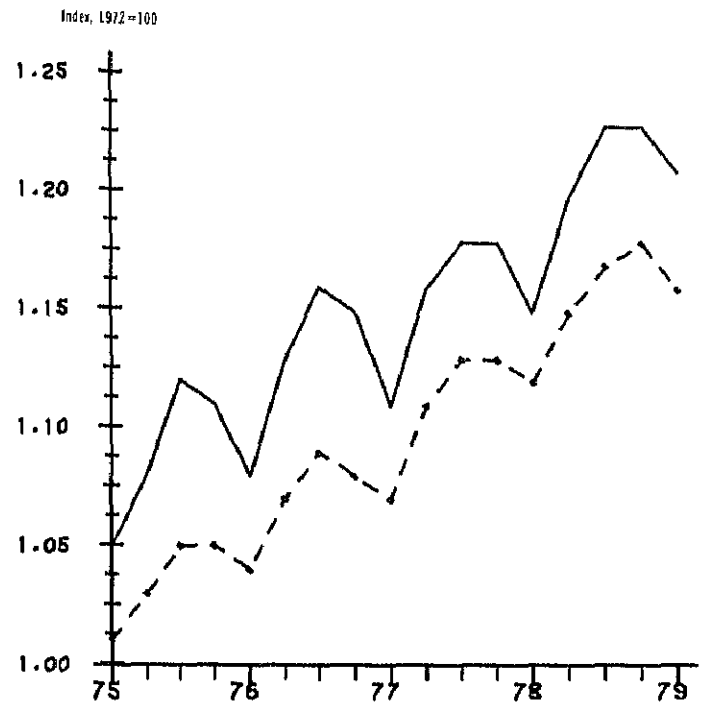


Chart 9.—Unemployment Rate

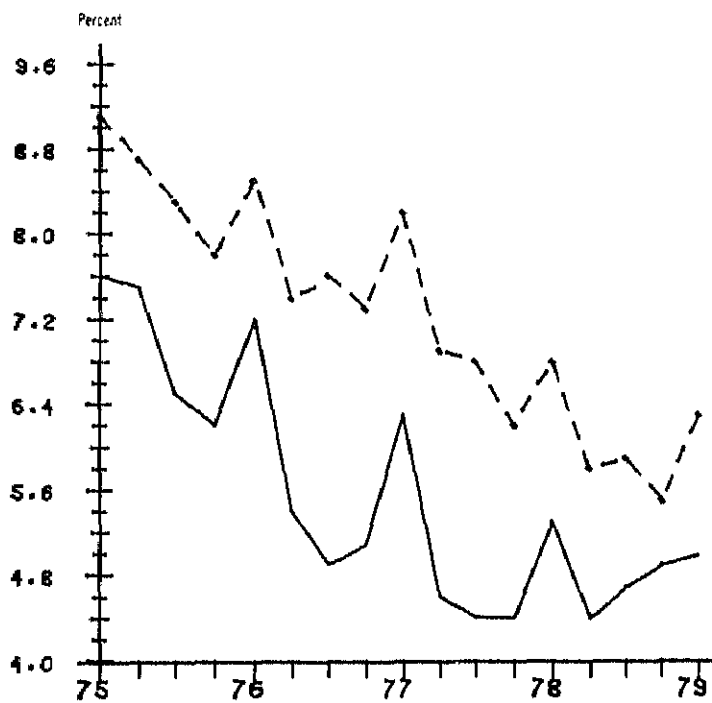
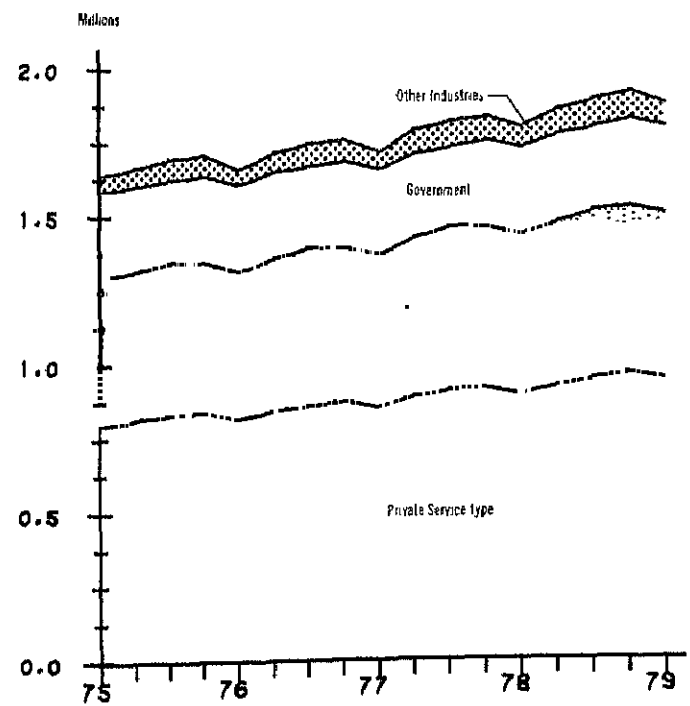


Chart 10.—Industrial Composition of Nonagricultural Employment: Wisconsin



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Wisconsin

	United States		Wisconsin				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV-- 1978 IV		1978 I-- 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	12,387	12,741	14,204	n.a.	15.6	14.7	---	---
Commercial and industrial	202,241	n.a.	3,064	3,178	3,381	n.a.	13.3	10.3	---	---
Loans to individuals	143,356	n.a.	2,393	2,461	2,839	n.a.	18.7	18.6	---	---
Real estate	183,599	n.a.	5,593	5,796	6,566	n.a.	19.6	17.4	---	---
Residential	104,830	n.a.	3,479	3,609	4,174	n.a.	22.1	20.0	---	---
Farms	7,919	n.a.	497	511	546	n.a.	9.6	9.9	---	---
Other	70,851	n.a.	1,617	1,676	1,845	n.a.	17.0	14.1	---	---
Farms, excluding real estate	25,440	n.a.	661	680	727	n.a.	9.5	10.0	---	---
Other	64,581	n.a.	675	627	692	n.a.	7.9	2.6	---	---
Total deposits	911,772	n.a.	18,539	18,232	19,541	n.a.	9.3	5.4	---	---
Demand	344,245	n.a.	6,063	5,121	6,125	n.a.	5.6	1.0	---	---
Time and savings	567,527	n.a.	12,476	13,112	13,416	n.a.	11.9	7.5	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 14.7 percent from 1977:IV to 1978:IV versus a 15.6 percent increase in the Nation (table 5). In 1978:IV, Wisconsin's loans totaled \$14.2 billion, for an increase of \$1.8 billion since 1977:IV. The State's lag was concentrated in commercial and industrial loans, which increased 10.3 percent in the State versus 13.3 percent in the Nation. Real estate loans were also weak in Wisconsin, up 17.4 percent versus 19.6 percent in the Nation. In contrast, loans to individuals increased about 18.6 percent in both the State and Nation.

Total deposits increased 5.4 percent from 1977:IV to 1978:IV, 3.9 percentage points less than in the Nation. In 1978:IV, Wisconsin's deposits totaled \$19.5 billion, for an increase of \$1.0 billion since 1977:IV. Among all States, only Alaska had a smaller percentage increase. Demand deposits increased only 1.0 percent in the State versus an increase of 5.6 percent in the Nation. Among all States, Wisconsin's increase ranked 46th. Time and savings deposits increased 7.5 percent in the State and 11.9 percent in the Nation. Among all States, Wisconsin's increase ranked 48th.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 18.5 percent in Wisconsin versus 19.8 percent in the Nation (table 6). Wisconsin's increase ranked 26th among all States and 2nd (to Indiana) among the Great Lakes States. In 1979:I, contracts in the State totaled \$680 million, for an increase over the year of \$107 million.

Nationally, construction costs increased about 14 percent; if this national increase is representative of cost changes in Wisconsin, the real valuation of construction contracts would have increased about 5 percent versus about 6 percent nationally.

The housing market was weak in Wisconsin from 1978:I to 1979:I. The valuation of contracts for additions and alterations to residential housekeeping units increased 14.6 percent in the State versus 17.9 percent in the Nation. Among all States, this increase ranked 33rd; among the Great Lakes States, it ranked first. The valuation of

contracts for residential housekeeping units declined 7.1 percent in the State and increased 11.8 percent in the Nation. Among all States, Wisconsin's change ranked 42nd. The number of new dwelling units started declined 12.1 percent (766 units), to 5,589 units, in sharp contrast to an increase of 2.6 percent in the Nation. Among all States, Wisconsin's change ranked 39th. Each Great Lakes State had a decline in the number of new dwelling units started.

Increases in the valuation of construction contracts other than residential were strong in Wisconsin. The valuation of nonresidential contracts increased 30.5 percent in the State versus 28.0 percent in the Nation. The valuation of nonbuilding contracts increased 76.4 percent in the State versus 23.7 percent in the Nation. Among all States, Wisconsin's increase ranked 16th. In contrast, the valuation of street and highway contracts—a subcategory of nonbuilding—increased 13.5 percent in Wisconsin versus 61.2 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

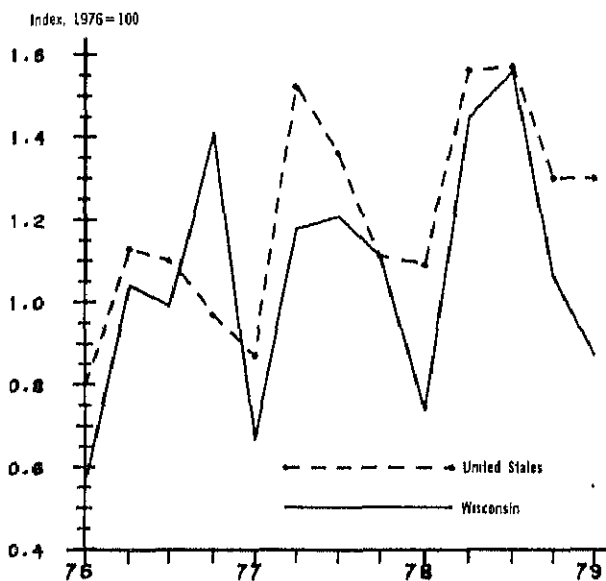


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Wisconsin

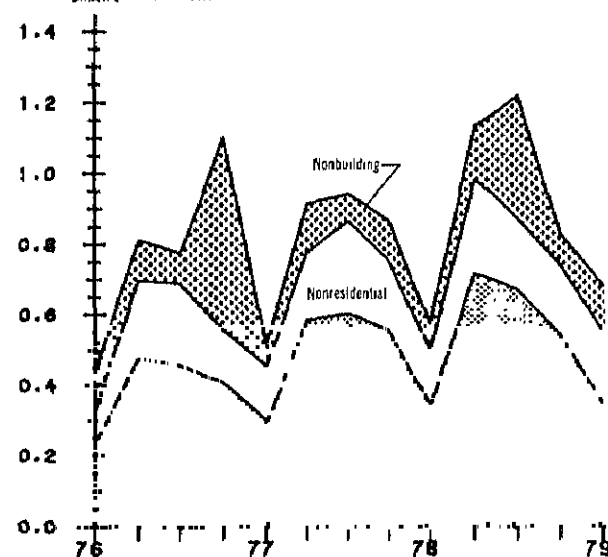


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

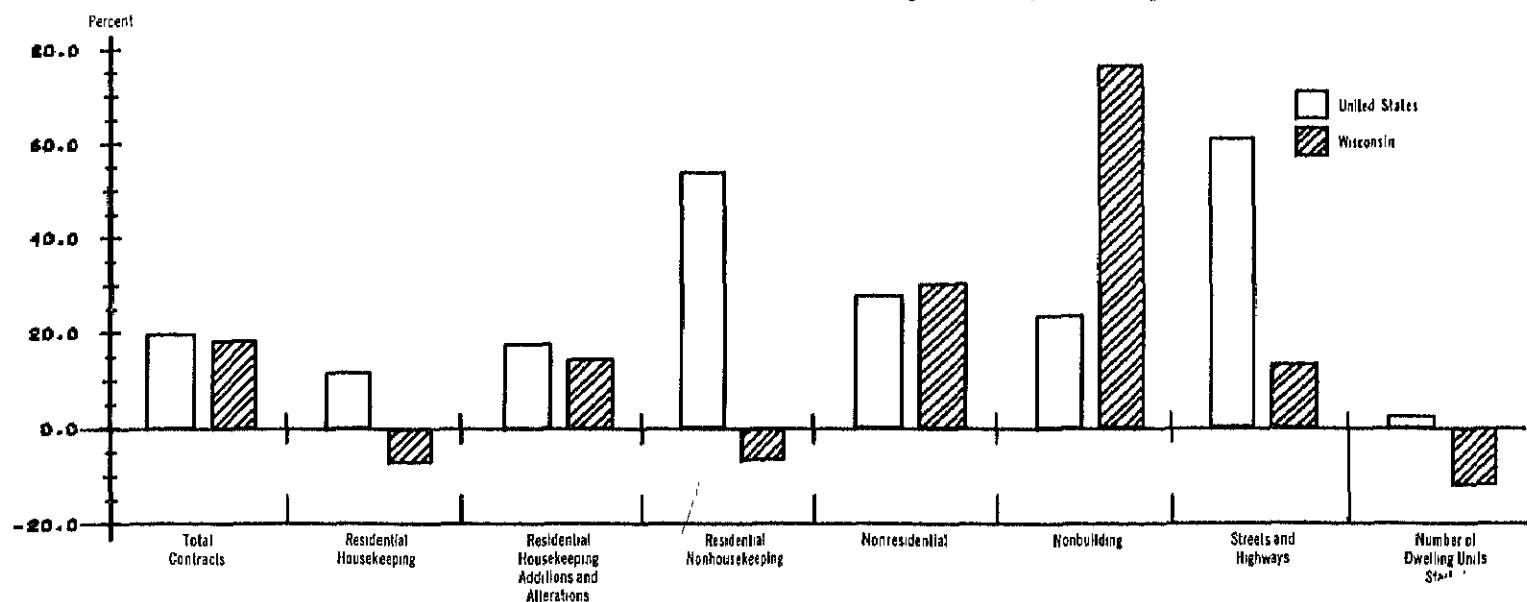


TABLE 6.—Construction Contracts, United States and Wisconsin¹

	United States		Wisconsin				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	865,847	573,704	823,467	679,572	16.8	-4.9	19.8	18.5
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	169,104	111,193	180,094	127,434	14.6	6.5	17.9	14.6
All other contracts										
Number of contracts	53,028	53,454	1,807	1,308	1,556	1,351	-9.3	-13.9	8	3.3
Valuation (thousands of dollars)	32,202,931	38,675,376	696,743	462,511	643,373	552,138	17.3	-7.7	20.1	19.4
Floor area (thousands of square feet)	807,538	904,811	21,750	12,717	18,958	13,647	10.3	-12.8	12.0	7.3
Residential housekeeping										
Number of contracts	13,592	14,399	450	341	347	331	-4.3	-22.9	5.9	-2.9
Number of dwelling units	404,171	414,826	11,561	6,355	8,696	5,589	-2	-24.8	2.6	-12.1
Valuation (thousands of dollars)	13,806,696	15,431,523	373,436	226,023	349,807	209,966	15.6	-6.3	11.8	-7.1
Floor area (thousands of square feet)	546,445	571,860	13,803	8,187	12,004	6,972	10.7	-13.0	4.7	-14.8
Residential nonhousekeeping										
Number of contracts	441	464	17	12	15	6	-4	-11.8	5.2	-50.0
Valuation (thousands of dollars)	327,201	504,158	12,202	3,680	10,400	3,435	54.9	-14.8	54.1	-6.7
Floor area (thousands of square feet)	8,179	11,483	317	69	246	133	34.7	-22.4	40.4	92.7
Nonresidential										
Number of contracts	25,282	23,514	953	586	788	541	-12.0	-17.3	-7.0	-7.7
Valuation (thousands of dollars)	9,056,146	11,595,243	200,579	156,821	197,928	204,712	16.3	-1.3	28.0	30.5
Floor area (thousands of square feet)	252,915	321,468	7,629	4,460	6,708	6,542	8.7	-12.1	27.1	46.7
Nonbuilding										
Number of contracts	13,713	15,077	387	369	406	473	-9.1	4.9	9.9	28.2
Valuation (thousands of dollars)	9,012,888	11,144,452	110,526	75,987	85,238	134,025	20.6	-22.9	23.7	76.4
Streets and Highways										
Number of contracts	3,989	4,750	64	101	90	131	-17.8	40.6	19.1	29.7
Valuation (thousands of dollars)	1,399,453	2,255,221	14,949	31,543	20,275	35,786	-18.1	35.6	61.2	13.5

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE.—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Wisconsin totaled \$3.9 billion in 1979:I, up 14.9 percent increase (table 7). In 1979:I, nondurable goods accounted for \$2.6 billion (\$0.5 billion) since 1978:I, compared with a 15.8-percent national lion of the total, and durable goods accounted for \$1.3 billion.

TABLE 7.—Retail Sales, United States and Wisconsin

	United States		Wisconsin				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	4,222	3,401	4,774	3,907	11.2	13.1	15.8	14.9
Durable goods	55,388	68,203	n.a.	n.a.	1,601	1,334	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	3,173	2,573	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Wisconsin

	United States		Wisconsin				U S	State	U S	State
	1978:I	1979:I	1977 IV	1978:I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,371	1,476	1,413	n.a.	13.2	3.1	---	---
Total number of business failures	1,729	n.a.	22	16	25	n.a.	-4.9	13.6	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	2,289	1,984	5,223	n.a.	13.7	128.2	---	---
Average liability per failure (thousands of dollars)	404	n.a.	104	124	209	n.a.	19.4	101.0	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	3	3	2	n.a.	6.0	-33.3	---	---
Construction	279	n.a.	6	5	3	n.a.	-8.2	-50.0	---	---
Wholesale trade	205	n.a.	3	3	2	n.a.	-6.3	-33.3	---	---
Retail trade	769	n.a.	7	5	17	n.a.	-4	142.9	---	---
Commercial services	205	n.a.	3	0	3	n.a.	-23.5	.0	---	---

n.a. Data not available
 Source: Dun & Bradstreet, Inc.

NOTE.—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

U.S. GOVERNMENT PRINTING OFFICE: 1979 311-048/300 1-3

WYOMING

Highlights

1978:I to 1979:I

Personal income

- Up 22.4% vs. 12.6% in U.S., to \$4.2 billion
- Payrolls up 23.1% in private service-type industries vs. 12.6% in U.S.
- Payrolls up 13.5% in government vs. 6.6% in U.S.

Employment

- Up 8.3% vs. 3.8% in U.S., to 194,000

Unemployment

- Unchanged, at 7,000
- Rate down to 3.5% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up 9.8% vs. 19.8% in U.S., to \$118.0 million
- Valuation of nonresidential contracts up 89.9% vs. 28.0% in U.S.
- Number of dwelling-unit starts up 6.3% vs. 2.6% in U.S., to 1,096

TABLE 1.—Summary of Economic Indicators, United States and Wyoming

	United States		Wyoming				U S	State	U S	State
	1978 I	1979.I	1977.IV	1978 I	1978 IV	1979.I	1977 IV— 1978·IV	1978 I— 1979.I	1978 I— 1979.I	1978 I— 1979.I
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	3,239	3,467	4,067	4,243	12.6	25.6	12.6	22.4
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	2,119	2,199	2,626	2,787	12.6	23.9	12.8	26.8
Civilian employment (thousands)	91,401	94,901	189	179	213	194	3.9	12.2	3.8	8.3
Unemployment (thousands)	6,705	6,360	7	7	8	7	-8.8	7.5	-5.1	-4.4
Percent unemployed (unemployment/labor force)	6.8	6.3	3.6	3.9	3.5	3.5	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	1,356	1,405	1,563	n.a.	15.6	15.3	---	---
Total deposits (millions of dollars)	911,772	n.a.	2,156	2,144	2,404	n.a.	9.3	11.5	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	139,528	107,504	112,213	118,021	16.8	-19.6	19.8	9.8
Dwelling units started (number)	404,171	414,826	877	1,031	1,118	1,096	-2	27.5	2.6	6.3
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	291	374	284	n.a.	13.2	-2.4	---	---
Business failures (number)	1,729	n.a.	0	2	0	n.a.	-4.9	---	---	---
Consumer Price Index (1967=100).										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n.a. Data not available.

Source: See tables 2 through 8.

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Wyoming increased 22.4 percent from 1978:I to 1979:I, more than in any other State; nationally, personal income increased 12.6 percent (table 2). In 1979:I, Wyoming's personal income totaled \$4.2 billion, up \$776 million since 1978:I. Nonfarm personal income increased 22.4 percent, more than in any other State, versus 12.4 percent nationally, and farm income increased 21.4 percent versus 25.1 percent nationally.

Wage and salary disbursements (payrolls) increased 26.8 percent from year to year, more than twice the national increase and the largest increase in the Nation. In 1979:I, payrolls in Wyoming were almost \$2.8 billion, up \$588 million since 1978:I. In each of Wyoming's major industries except mining, the payroll increase substantially exceeded the corresponding national increase and was among the largest in the Nation.

Within Wyoming's private service-type group, payroll increases in transportation-communication-public utilities and trade ranked first in the Nation, and payroll increases in finance-insurance-real estate and services ranked fourth and ninth, respectively.

Manufacturing payrolls in the State increased 15.9 percent versus 14.0 percent nationally; durables and nondurables payrolls each increased \$10 million.

Government payrolls, which accounted for 18 percent of total payrolls in the State in 1979:I, increased 13.5 percent, more than twice the national increase and the largest increase in the Nation. Construction payrolls, which accounted for 13 percent of total State payrolls in 1979:I, increased 36.7 percent, 15.4 percentage points more than nationally.

In contrast, mining payrolls in Wyoming increased 44.2 percent, compared with 59.5 percent nationally. Mining payrolls accounted for 25 percent of total payrolls in the State in 1979:I and for 36 percent of the total increase in State payrolls from 1978:I to 1979:I. 1

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

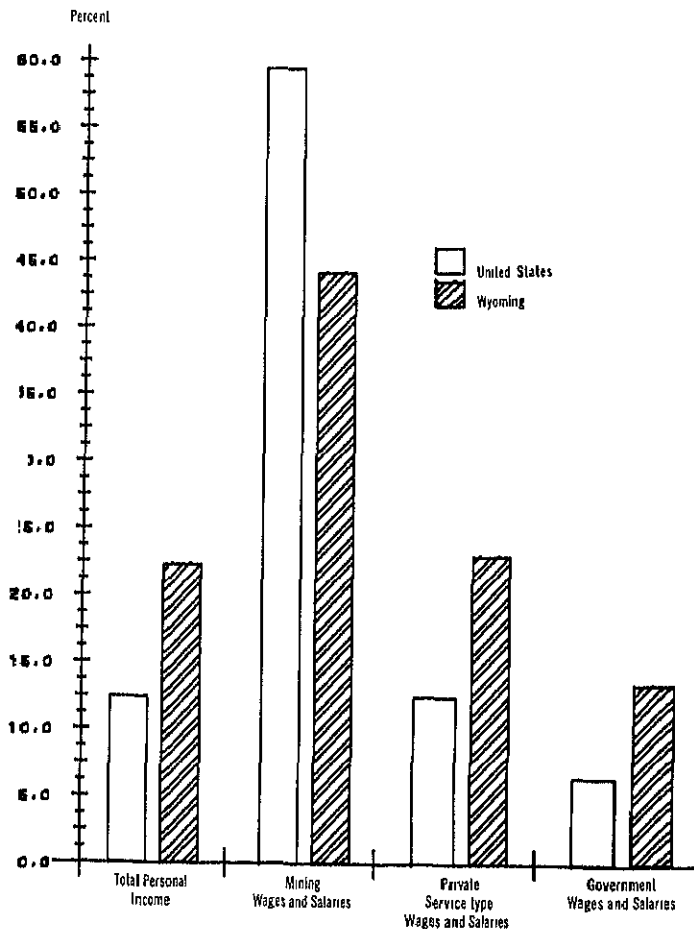
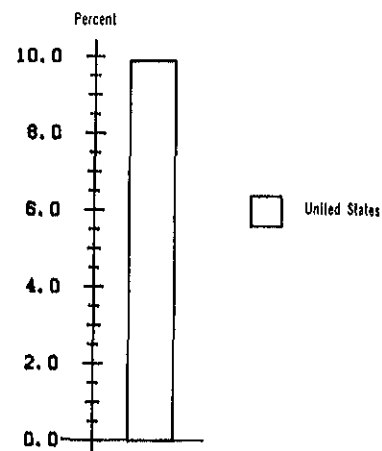


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I



July 1979

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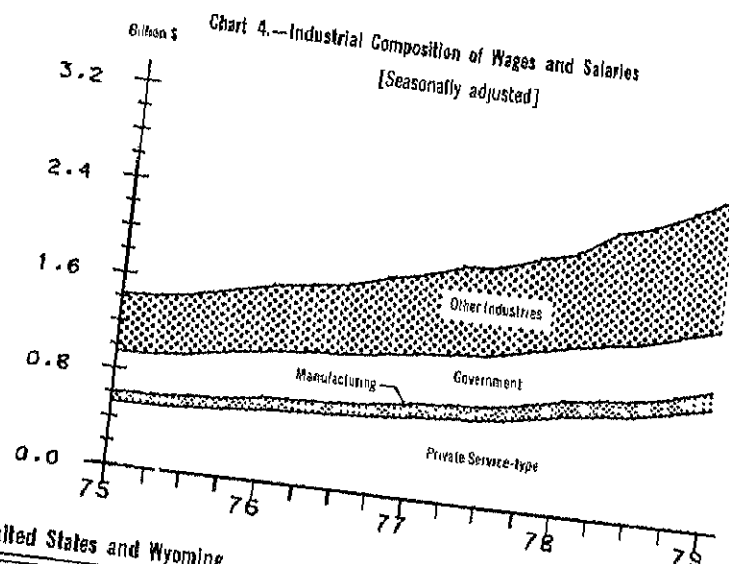
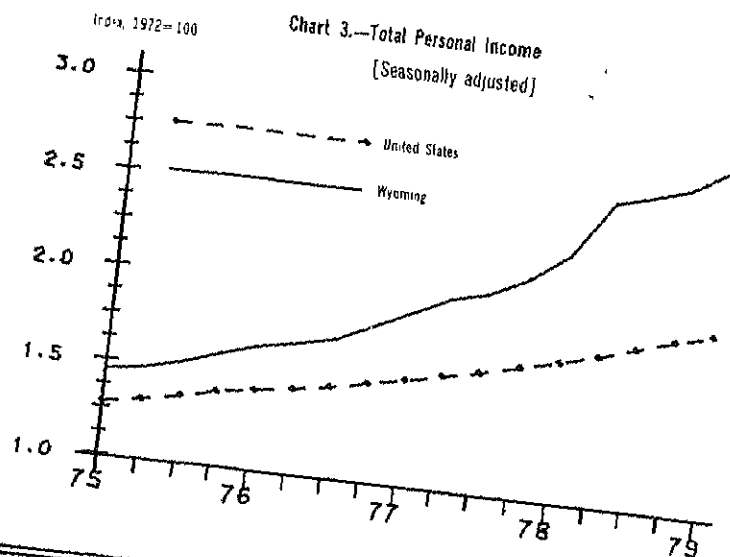


TABLE 2.—Personal Income, United States and Wyoming

	United States		Wyoming			U.S.		State		
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I	U.S.	State
	Millions of dollars, seasonally adjusted at annual rates ¹					Percent change ²				
Total personal income	1,624,665	1,829,515	3,239	3,467	4,067	4,243	12.6	25.6	12.6	22.4
Farm personal income	32,083	40,141	57	177	223	215	26.3	293.6	25.1	21.4
Nonfarm personal income	1,592,582	1,789,374	3,182	3,290	3,844	4,028	12.3	20.8	12.4	22.4
Total personal income	1,624,665	1,829,515	3,239	3,467	4,067	4,243	12.6	25.6	12.6	22.4
Wage and salary disbursements	1,042,716	1,176,598	2,119	2,199	2,626	2,787	12.6	23.9	12.8	26.8
Government labor income	99,957	115,833	184	192	239	255	16.4	29.9	15.9	32.6
Proprietors' income	108,808	128,535	275	406	493	489	18.9	79.1	16.3	20.3
Farm	24,448	31,221	11	173	163	163	31.3	***	27.7	23.9
Nonfarm	84,360	95,314	264	517	319	326	15.3	20.9	13.0	18.7
Dividends, interest, and rent	221,191	250,595	501	309	563	584	12.8	12.5	8.9	9.2
Transfer payments	219,202	238,791	303	309	331	337	8.2	9.2	13.3	13.0
State unemployment insurance benefits	9,997	8,023	9	9	8	8	-30.3	-17.0	-19.7	-16.5
Less personal contributions	65,792	78,357	143	156	183	208	15.1	28.1	17.3	33.4
F.S. residence adjustment	-417	-489	0	0	-1	-2	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	2,119	2,199	2,626	2,787	12.6	23.9	12.8	26.8
Farm	7,215	8,422	44	44	48	51	10.6	8.4	16.7	14.3
Nonfarm	1,035,501	1,168,176	2,075	2,154	2,578	2,737	12.6	24.3	12.8	27.0
Manufacturing	12,013	19,166	468	482	660	696	33.9	40.9	59.5	44.2
Durable goods	56,564	68,593	121	126	134	146	13.3	11.0	14.0	36.7
Non-durable goods	285,735	325,636	72	72	60	64	15.2	23.0	16.2	15.9
Private service-type	182,321	211,944	776	834	74	82	10.0	2.8	9.9	14.4
Transportation, communication, and public utilities	103,414	113,692	217	221	252	278	13.1	23.5	12.6	23.1
Wholesale and retail trade	473,132	532,823	65	69	80	83	14.1	16.2	11.5	25.6
Finance, insurance, and real estate	79,598	88,755	307	332	394	422	13.2	28.4	13.7	27.3
Services	177,331	201,608	187	212	232	243	12.7	24.0	11.7	14.5
Government	55,930	63,373	445	445	502	505	6.9	12.8	6.6	13.5
Federal	160,273	179,087	157	155	176	176	7.1	12.3	7.6	13.5
State and local	204,558	218,008	289	290	326	329	6.8	13.1	6.1	13.6
Other	68,698	73,916	7	7	8	8	14.6	16.8	12.9	15.0

***Percent change greater than 999.9.
1. Detail may not add to totals because of rounding.
2. Based on unrounded data.

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division.

TABLE 3.—Consumer Price Index, United States and Wyoming¹

U.S. city average ²	United States		Wyoming			U.S.		State		
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I	U.S.	State
	Index, 1967=100, not seasonally adjusted					Percent change				
	188.4	207.0	---	---	---	---	8.9	9.9	---	---

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2 Average for 85 representative urban areas based on the 1970 Census of Population.
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Wyoming's civilian labor force increased 7.8 percent, more than 4 percentage points more than nationally (table 4). Total employment increased 8.3 percent versus 3.8 percent nationally, to 194,000. Wyoming's percentage increases in both labor force and employment were the largest in the Nation.

With both the labor force and employment increasing about 15,000, the number of unemployed in the State registered a negligible decline (less

than 500), to 7,000. The unemployment rate declined to 3.5 percent of the labor force in 1979:I, compared with 6.3 percent nationally. Only three States—New Hampshire, Kansas, and Nebraska—had lower unemployment rates in 1979:I.

The State's preliminary unemployment rate in March 1979 was 3.1 percent, down 0.6 percentage point since March 1978.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Wyoming

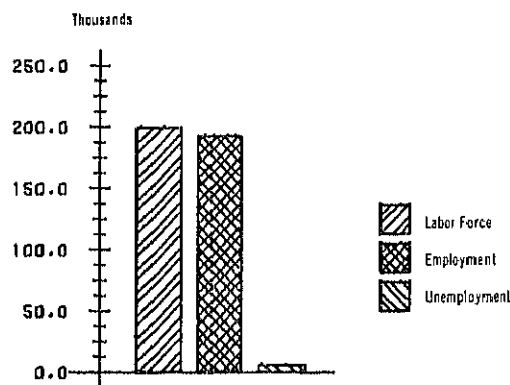


Chart 6.—Unemployment Rates, 1978:I—1979:I

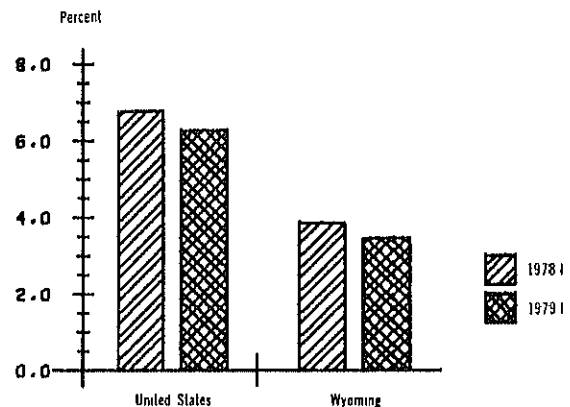


TABLE 4.—Labor Force, United States and Wyoming

	United States		Wyoming				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978 I— 1979:I		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	178	172	196	194	4.2	10.1	2.9	12.6
Mining	730	896	27	28	30	31	14.4	11.0	22.7	13.1
Construction	3,784	3,973	18	17	23	21	11.2	25.7	5.0	22.0
Manufacturing	20,064	20,652	9	9	10	10	3.6	7.4	2.9	10.1
Transportation, communication, and public utilities	4,779	4,943	14	14	15	16	4.4	9.4	3.4	14.6
Wholesale and retail trade	18,937	19,549	40	38	45	45	4.5	13.1	3.2	16.4
Finance, insurance, and real estate	4,601	4,790	6	6	7	7	5.2	11.7	4.1	11.5
Services	15,758	16,149	24	25	26	26	4.4	8.5	2.5	5.7
Government	15,435	15,648	40	37	40	40	1.4	.8	1.4	8.5
Civilian labor force ³	98,106	101,260	197	186	220	201	3.1	12.0	3.2	7.8
Total employed	91,401	94,901	189	179	213	194	3.9	12.2	3.8	8.3
Total unemployed	6,705	6,360	7	7	8	7	-8.8	7.5	-5.1	-4.4
Percent unemployed	6.8	6.3	3.6	3.9	3.5	3.5	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

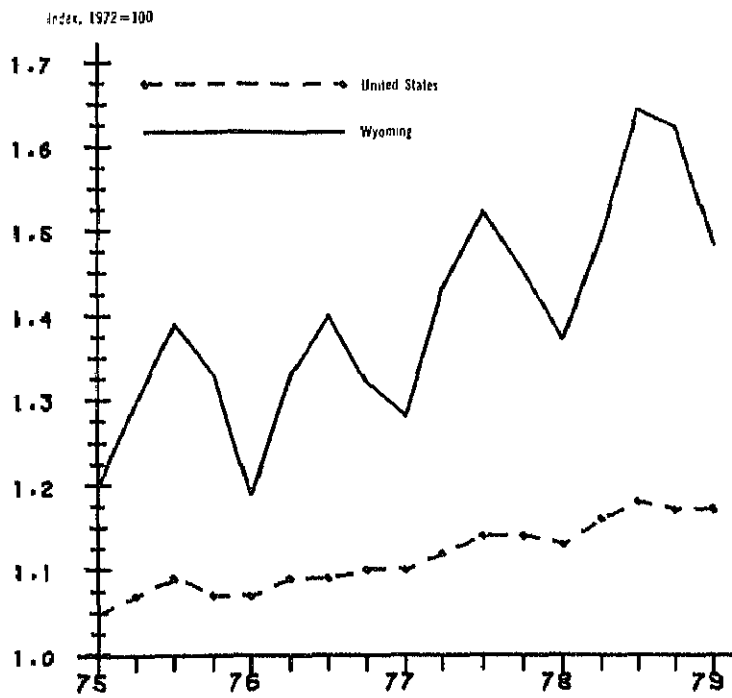


Chart 8.—Civilian Employment

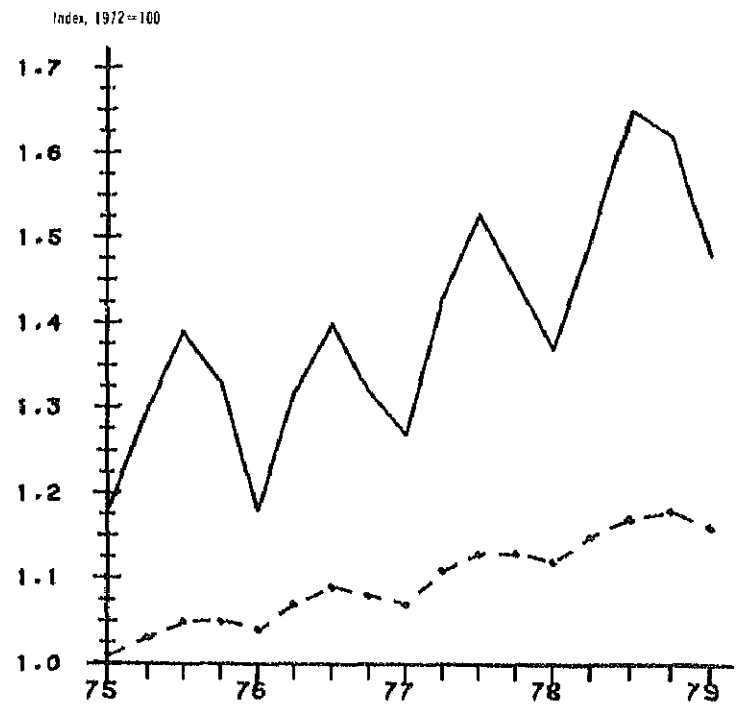


Chart 9.—Unemployment Rate

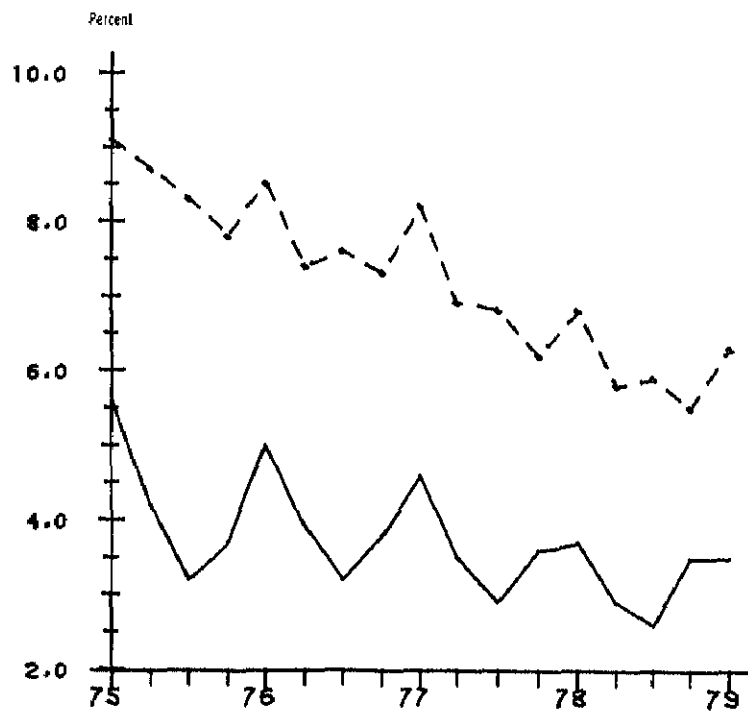
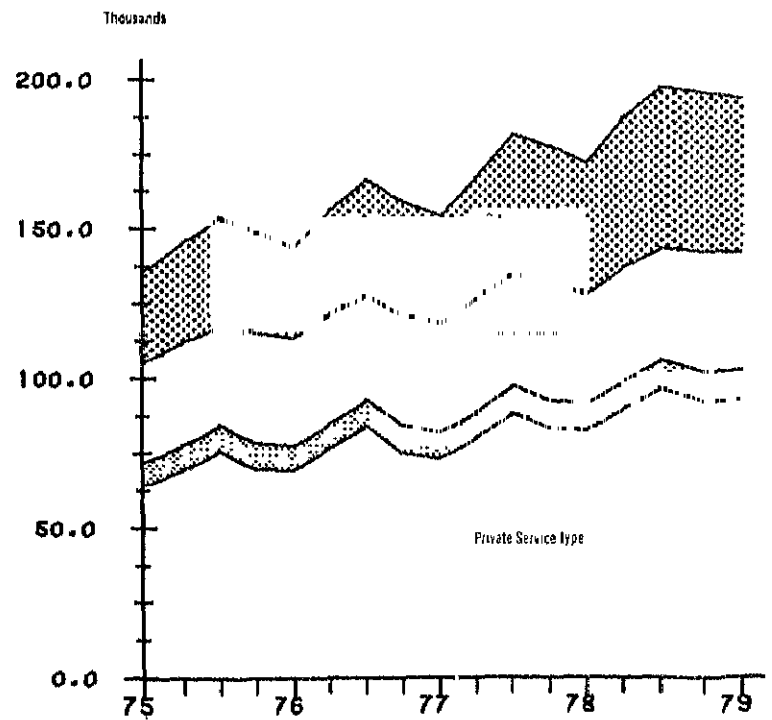


Chart 10.—Industrial Composition of Nonagricultural Employment: Wyoming



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Wyoming

	United States		Wyoming				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	1,356	1,405	1,563	n.a.	15.6	15.3	---	---
Commercial and industrial	202,241	n.a.	400	424	481	n.a.	13.3	20.3	---	---
Loans to individuals	143,356	n.a.	331	344	393	n.a.	18.7	18.6	---	---
Real estate	183,599	n.a.	384	400	461	n.a.	19.6	20.2	---	---
Residential	104,830	n.a.	200	207	231	n.a.	22.1	15.6	---	---
Farms	7,919	n.a.	16	18	14	n.a.	9.6	-12.5	---	---
Other	70,851	n.a.	168	176	216	n.a.	17.0	28.6	---	---
Farms, excluding real estate	25,440	n.a.	219	216	205	n.a.	9.5	-6.4	---	---
Other	64,581	n.a.	22	22	24	n.a.	7.9	5.5	---	---
Total deposits	911,772	n.a.	2,156	2,144	2,404	n.a.	9.3	11.5	---	---
Demand	344,245	n.a.	792	758	895	n.a.	5.6	12.9	---	---
Time and savings	567,527	n.a.	1,364	1,386	1,510	n.a.	11.9	10.7	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in Wyoming increased 15.3 percent (\$207 million) from 1977:IV to 1978:IV, slightly less than nationally, to \$1.6 billion (table 5). The State's increase in bank loans was below that of the Nation mainly because of a 6.4-percent decline in farm loans, excluding real estate, compared with a 9.5-percent national increase. The State's increase in loans to individuals (18.6 percent) was slightly less than the national increase (18.7 percent), while the State's increase in real estate loans

(20.2 percent) was slightly more than the national increase (19.6 percent). Commercial and industrial loans in Wyoming increased 20.3 percent, 7.0 percentage points more than nationally and the seventh largest increase among all States.

Total deposits increased 11.5 percent versus 9.3 percent nationally. In 1978:IV, bank deposits in the State totaled \$2.4 billion, up \$248 million since 1977:IV. Demand deposits increased 12.9 percent, over 7 percentage points more than nationally and the fifth largest increase among all States. In contrast, time and savings deposits increased 10.7 percent in the State versus 11.9 percent in the Nation.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 9.8 percent (\$10.5 million), to \$118.0 million (table 6). Nationally, construction contracts increased 19.8 percent in valuation. During the same timespan, construction costs increased about 14 percent in the Nation; if this national increase is representative of cost changes in Wyoming, the total real valuation of contracts in the State sustained a decline of about 4 percent versus a real increase of about 6 percent in the Nation.

The State's lag was reflected in most construction categories. The valuation of residential housekeeping contracts increased 9.8 percent (\$3.9 million), 2.0 percentage points less than nationally. In contrast, the number of dwelling units started increased more in Wyoming, 6.3 percent, than nationally, only 2.6 percent. In 1979:I, 1,096 units were started in the State, up 65 units since 1978:I. Additions and alterations

to residential housekeeping units increased 16.0 percent (\$1.5 million) versus 17.9 percent nationally.

Substantial declines were registered in the nonbuilding construction category. The valuation of all nonbuilding contracts declined 17.2 percent in the State (\$5.3 million), compared with a 23.7-percent increase in the Nation. A large part of the decline was in the street and highway component, in which the valuation of contracts declined 12.8 percent (\$2.9 million) versus an increase of 61.2 percent nationally. Only five States declined at higher rates during this timespan.

In contrast, the valuation of nonresidential contracts increased \$17.8 million, representing a rate that was more than three times the Nation's (89.9 percent versus 28.0 percent).

Chart 14.—Construction Contracts—Total Valuation

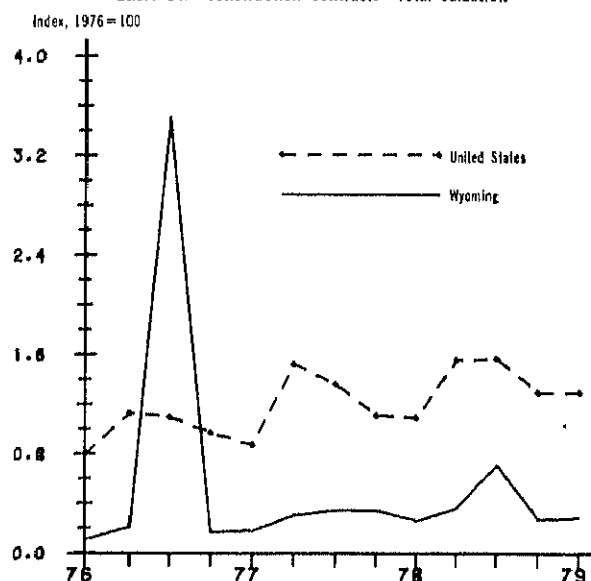


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Wyoming

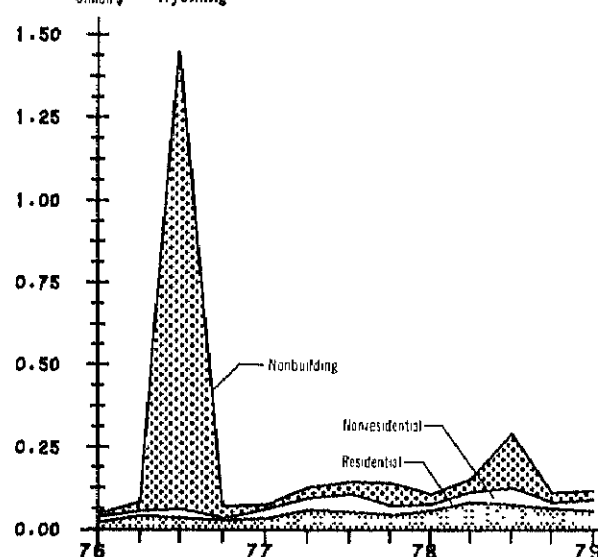


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

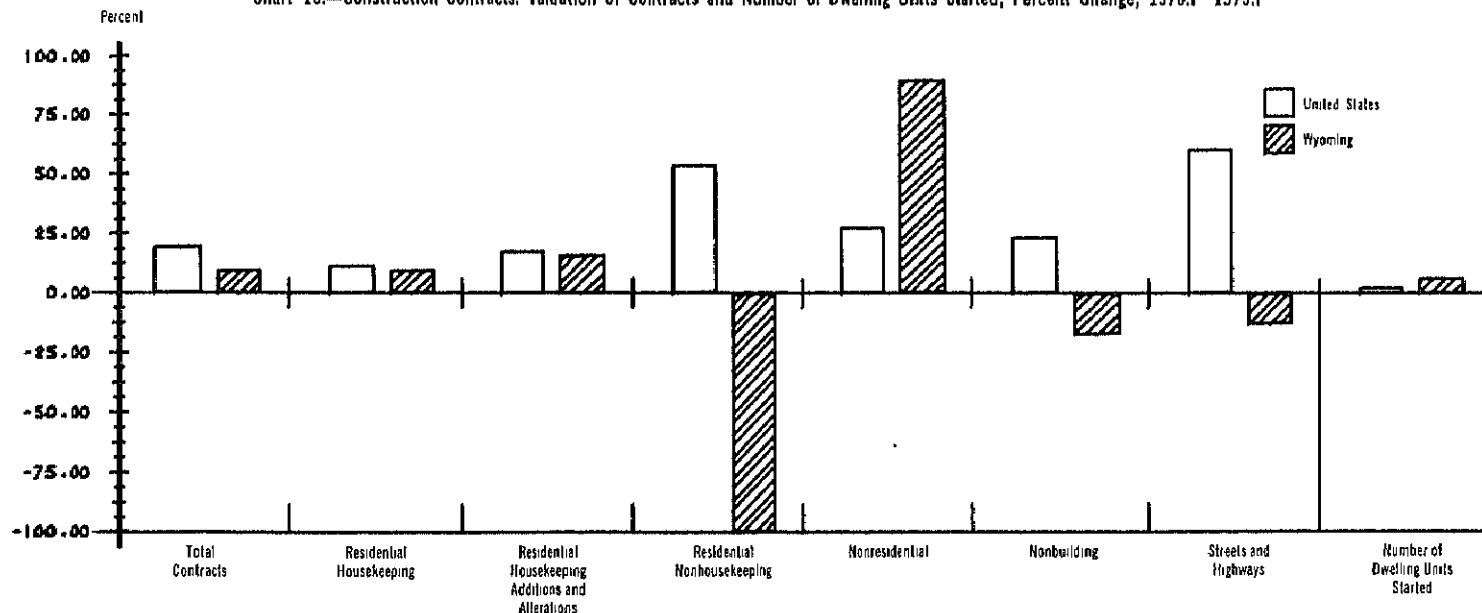


TABLE 6.—Construction Contracts, United States and Wyoming¹

	United States		Wyoming				U S	State	U S	State
	1978 I	1979 I	1977.IV	1978 I	1978.IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	139,528	107,504	112,213	118,021	16.8	-19.6	19.8	9.8
Residential housekeeping, additions and alterations Valuation (thousands of dollars)	5,904,299	6,962,771	12,062	9,363	14,115	10,861	14.6	17.0	17.9	16.0
All other contracts										
Number of contracts	53,028	53,454	207	186	170	173	-9.3	-17.9	8	-7.0
Valuation (thousands of dollars)	32,202,931	38,675,376	127,466	98,141	98,098	107,160	17.3	-23.0	20.1	9.2
Floor area (thousands of square feet)	807,538	904,811	1,846	2,248	2,378	2,350	10.3	28.8	12.0	4.5
Residential housekeeping										
Number of contracts	13,592	14,399	81	78	73	80	-4.3	-9.9	5.9	2.6
Number of dwelling units	404,171	414,826	877	1,031	1,118	1,096	-2	27.5	2.6	6.3
Valuation (thousands of dollars)	13,806,696	15,431,523	29,830	40,165	47,992	44,110	15.6	60.9	11.8	9.8
Floor area (thousands of square feet)	546,445	571,860	1,108	1,474	1,738	1,518	10.7	56.8	4.7	3.0
Residential nonhousekeeping										
Number of contracts	441	464	2	1	0	0	-4	---	5.2	---
Valuation (thousands of dollars)	327,201	504,158	500	7,500	0	0	54.9	---	54.1	---
Floor area (thousands of square feet)	8,179	11,483	22	150	0	0	34.7	---	40.4	---
Nonresidential										
Number of contracts	25,282	23,514	62	51	48	54	-12.0	-22.6	-7.0	5.9
Valuation (thousands of dollars)	9,056,146	11,595,243	29,483	19,844	20,693	37,675	16.3	-29.8	28.0	89.9
Floor area (thousands of square feet)	252,915	321,468	716	624	640	832	8.7	-10.6	27.1	33.4
Nonbuilding										
Number of contracts	13,713	15,077	62	56	49	39	-9.1	-21.0	9.9	-30.4
Valuation (thousands of dollars)	9,012,888	11,144,452	67,653	30,632	29,413	25,375	20.6	-56.5	23.7	-17.2
Streets and Highways										
Number of contracts	3,989	4,750	23	25	30	23	-17.8	30.4	19.1	-8.0
Valuation (thousands of dollars)	1,399,453	2,255,221	26,411	23,005	20,179	20,070	-18.1	-23.6	61.2	-12.8

1 Contracts started or expected to start within 60 days
2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company.
NOTE—Detail for floor area data may not add to totals because of rounding.

Retail Sales

Retail sales for Wyoming are not available.

TABLE 7.—Retail Sales, United States and Wyoming

	United States		Wyoming				U S	State	U S	State
	1978 I	1979 I	1977.IV	1978 I	1978.IV	1979.I	1977.IV— 1978.IV		1978.I— 1979.I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Wyoming

	United States		Wyoming				U S	State	U S	State
	1978 I	1979 I	1977.IV	1978 I	1978.IV	1979 I	1977.IV— 1978.IV		1978.I— 1979.I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	291	374	284	n.a.	13.2	-2.4	---	---
Total number of business failures	1,729	n.a.	0	2	0	n.a.	-4.9	---	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	0	144	0	n.a.	13.7	---	---	---
Average liability per failure (thousands of dollars)	404	n.a.	0	72	0	n.a.	19.4	---	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	1	0	n.a.	6.0	---	---	---
Construction	279	n.a.	0	1	0	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	0	0	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	0	0	0	n.a.	-4	---	---	---
Commercial services	205	n.a.	0	0	0	n.a.	-23.5	---	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.

Chart 7.—Civilian Labor Force

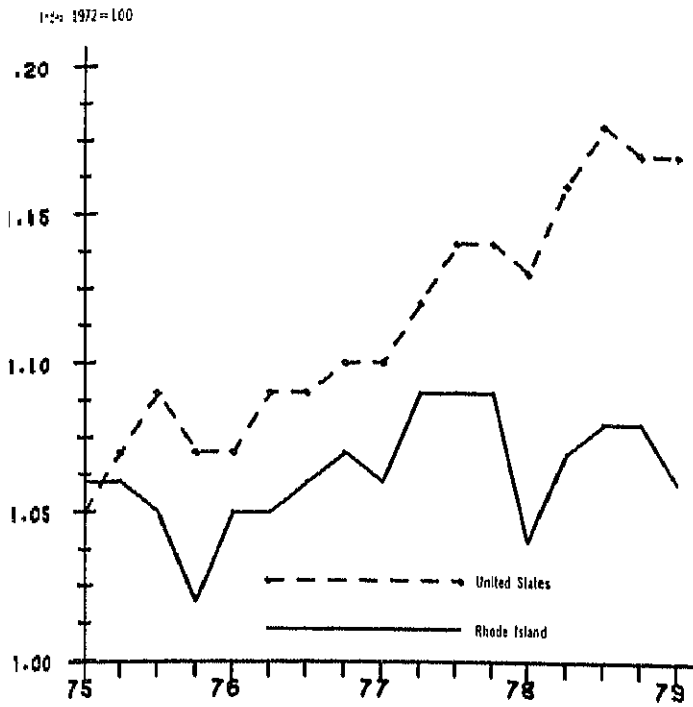


Chart 8.—Civilian Employment

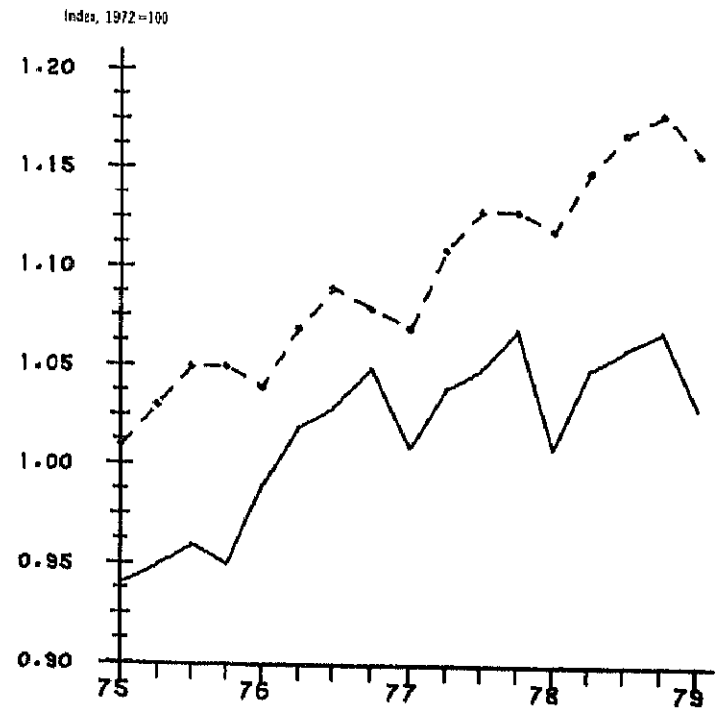


Chart 9.—Unemployment Rate

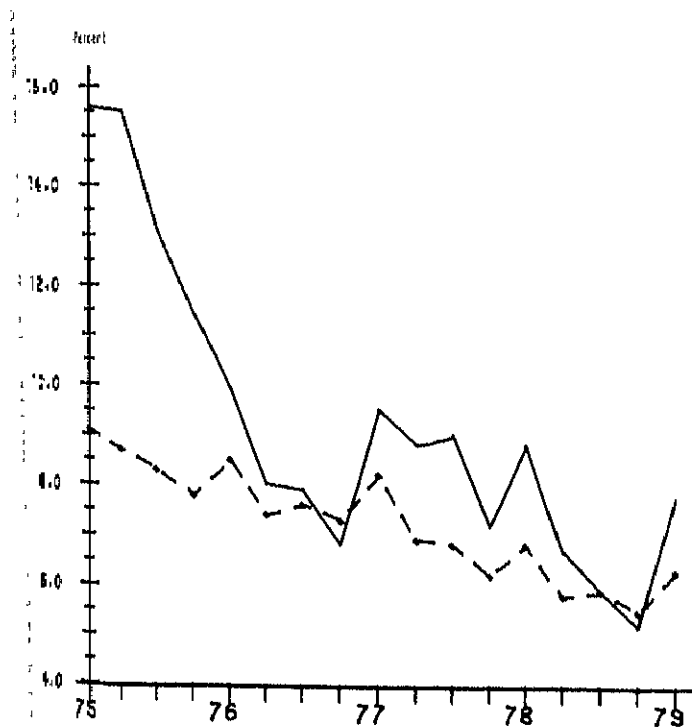
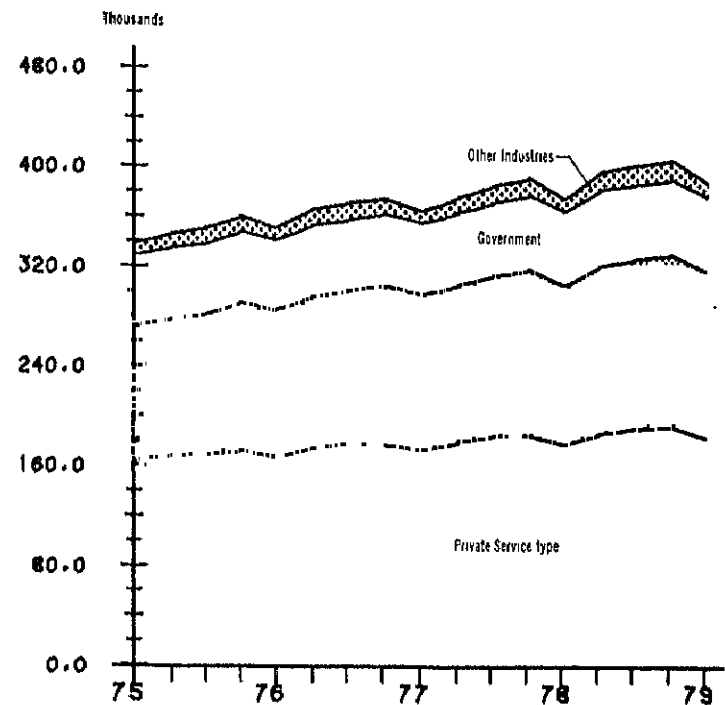


Chart 10.—Industrial Composition of Nonagricultural Employment: Rhode Island



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Rhode Island

TABLE 3.—Commercial Banking Indicators, United States and Rhode Island										
	United States		Rhode Island				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	2,936	2,967	3,337	n.a.	15.6	13.6	---	---
Commercial and industrial	202,241	n.a.	882	896	1,058	n.a.	13.3	19.9	---	---
Loans to individuals	143,356	n.a.	420	414	482	n.a.	18.7	14.8	---	---
Real estate	183,599	n.a.	1,469	1,481	1,606	n.a.	19.6	9.3	---	---
Residential	104,830	n.a.	903	903	951	n.a.	22.1	5.3	---	---
Farms	7,919	n.a.	1	1	1	n.a.	9.6	4.1	---	---
Other	70,851	n.a.	565	577	654	n.a.	17.0	15.7	---	---
Farms, excluding real estate	25,440	n.a.	0	0	0	n.a.	9.5	-69.6	---	---
Other	64,581	n.a.	165	176	191	n.a.	7.9	15.9	---	---
Total deposits	911,772	n.a.	3,772	3,746	4,212	n.a.	9.3	11.7	---	---
Demand	344,245	n.a.	991	902	1,057	n.a.	5.6	6.6	---	---
Time and savings	567,527	n.a.	2,780	2,844	3,155	n.a.	11.9	13.5	---	---

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

Source: U.S. Federal Deposit Insurance Corporation.

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in Rhode Island increased 13.6 percent from 1977:IV to 1978:IV versus a 15.6-percent increase in the Nation (table 5). In 1978:IV, Rhode Island's loans totaled \$3.3 billion, for an increase of \$0.4 billion since 1977:IV. The State's lag was particularly pronounced in real estate loans, which increased 9.3 percent, more than 10 percentage points less than in the Nation. Among all States, only two had smaller increases. Loans to individuals increased 14.8 percent versus 18.7 percent in the Nation. In contrast, commercial and industrial loans increased 19.9 percent in the State versus 13.3 percent in

the Nation; among all States, Rhode Island's increase ranked eighth.

Total deposits increased 11.7 percent in Rhode Island from 1977:IV to 1978:IV, 2.4 percentage points more than in the Nation. Rhode Island's increase ranked 12th among all State increases. In 1978:IV, Rhode Island's deposits totaled \$4.2 billion, for an increase of \$0.4 billion since 1977:IV. State increases exceeded national increases in both time and savings and demand deposits. Time and savings deposits increased 13.5 percent in the State versus 11.9 percent in the Nation; Rhode Island's increase ranked 13th. Demand deposits increased 6.6 percent in Rhode Island versus 5.6 percent in the Nation.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 80.0 percent in Rhode Island versus 19.8 percent in the Nation (table 6). Rhode Island's increase ranked fifth among all States and was the largest in New England. In 1979:I, contracts in the State totaled \$123 million, for an increase over the year of \$55 million. About one-third of Rhode Island's increase was traceable to an \$18 million contract for a shipbuilding and repair plant in Washington County. If this contract is excluded, the total valuation in the State would have increased 53 percent.

Nationally, construction costs increased about 14 percent; if this national increase is representative of cost changes in Rhode Island, the real valuation of construction contracts would have increased about 66 percent (including the shipbuilding and repair plant contract) versus about 6 percent nationally.

The new residential housekeeping market was strong in Rhode Island, as it was in most Northeast States. Both the valuation of residential housekeeping contracts and the number of dwelling units started recovered sharply from the unusually low levels in 1978:I, when the weather in the Northeast was even more severe than in 1979:I. The valuation of residential housekeeping contracts increased 28.0 percent in Rhode Island versus 11.8 percent in the Nation. Among all States,

Rhode Island's increase ranked 17th; increases in nearly all other New England States were larger. The number of dwelling units started in Rhode Island increased 25.7 percent, or 156 units, to 762. The increase in the Nation was only 2.6 percent. Among all States, Rhode Island's increase ranked 11th. In contrast, the valuation of contracts for additions and alterations to residential housekeeping units increased only 7.8 percent in Rhode Island versus 17.9 percent in the Nation. Among all States, Rhode Island's increase ranked 43rd.

The valuation of nonresidential contracts increased 414.9 percent (\$38 million) in Rhode Island versus 28.0 percent in the Nation. Although nonresidential contracts accounted for less than two-fifths of the total valuation of contracts in Rhode Island in 1979:I, the nonresidential increase accounted for nearly seven-tenths of the total increase. Among all States, Rhode Island's increase was the largest. Much of the strength was traceable to the above-mentioned contract for the shipbuilding and repair plant. Excluding the plant, the valuation of nonresidential contracts still would have increased more than 200 percent.

The valuation of nonbuilding contracts increased 36.3 percent in Rhode Island versus 23.7 percent in the Nation. The valuation of contracts for streets and highways—a component of nonbuilding—increased 29.7 percent in Rhode Island and 61.2 percent in the Nation.

Chart 14.—Construction Contracts—Total Valuation

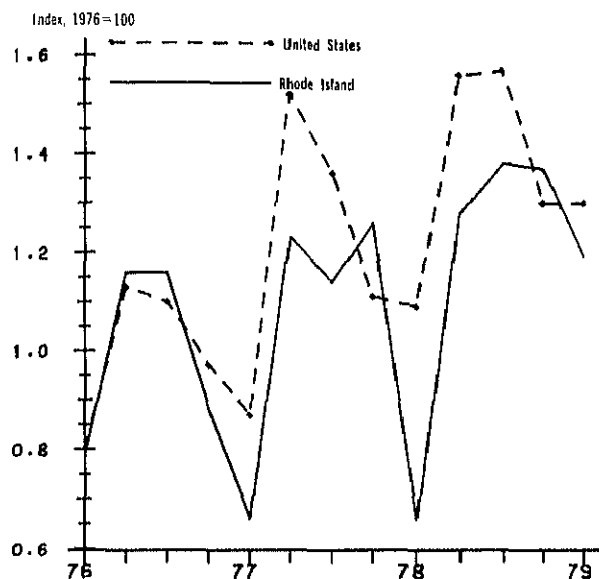


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Rhode Island

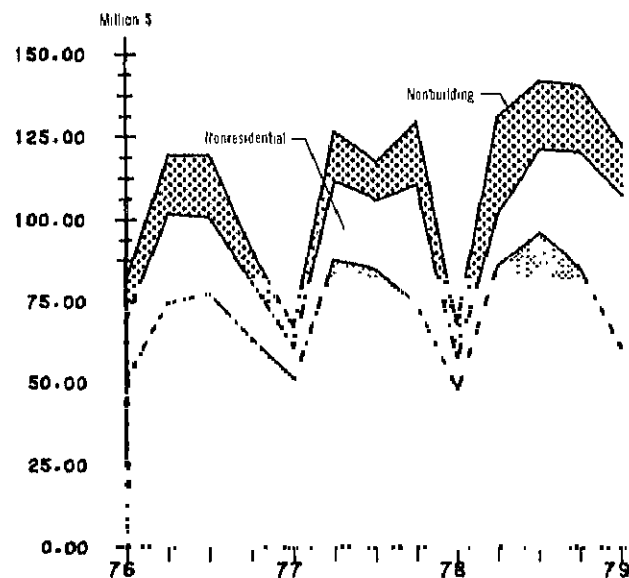


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

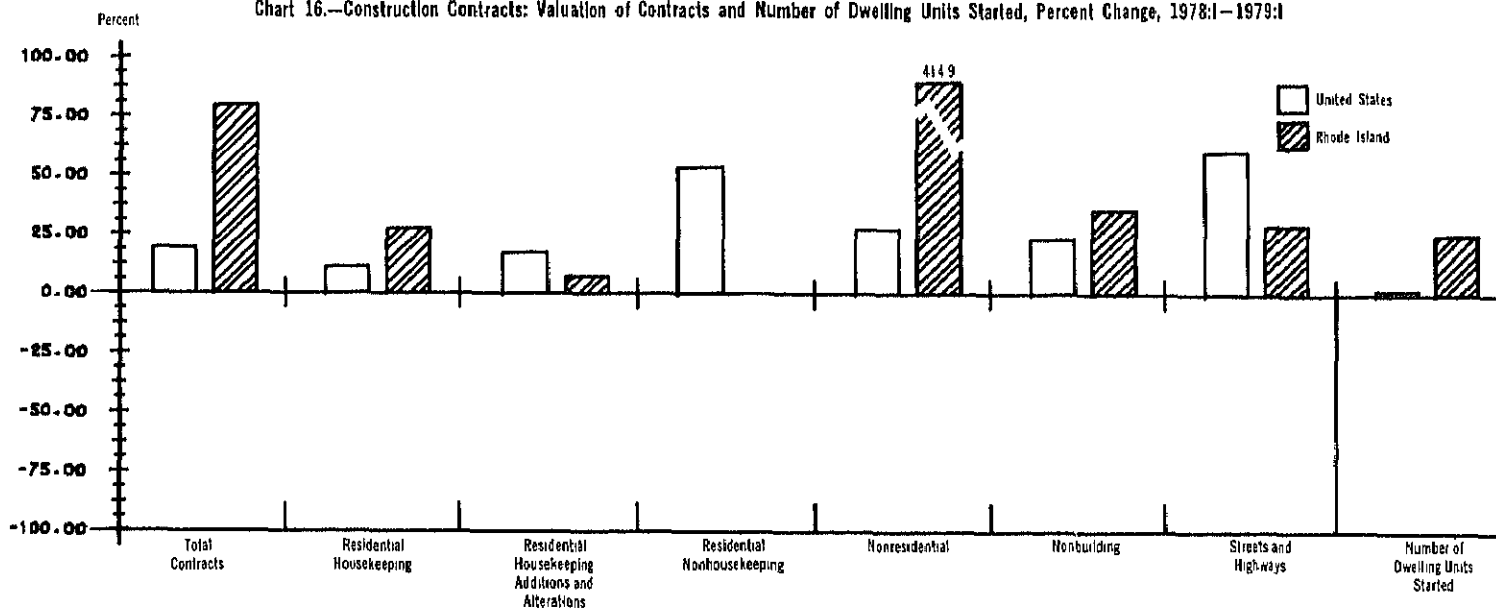


TABLE 6.—Construction Contracts, United States and Rhode Island¹

	United States		Rhode Island				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978.IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	129,856	68,091	140,651	122,542	16.8	8.3	19.8	80.0
Residential housekeeping additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	34,725	27,610	34,793	29,765	14.6	2	17.9	7.8
All other contracts										
Number of contracts	53,028	53,454	194	84	183	135	-9.3	-5.7	8	60.7
Valuation (thousands of dollars)	32,202,931	38,675,376	95,131	40,481	105,858	92,777	17.3	11.3	20.1	129.2
Floor area (thousands of square feet)	807,538	904,811	2,450	826	2,403	2,151	10.3	-1.9	12.0	150.3
Residential housekeeping										
Number of contracts	13,592	14,399	39	21	35	25	-4.3	-10.3	5.9	19.0
Number of dwelling units	404,171	414,826	1,394	606	1,420	762	-2	1.9	2.6	25.7
Valuation (thousands of dollars)	13,806,696	15,431,523	39,704	20,383	50,623	26,094	15.6	27.5	11.8	28.0
Floor area (thousands of square feet)	546,445	571,860	1,420	709	1,715	869	10.7	20.8	4.7	22.6
Residential nonhousekeeping										
Number of contracts	441	464	1	0	1	1	-4	0	5.2	---
Valuation (thousands of dollars)	327,201	504,158	7	0	39	5,000	54.9	457.1	54.1	---
Floor area (thousands of square feet)	8,179	11,483	0	0	0	128	34.7	---	40.4	---
Nonresidential										
Number of contracts	25,282	23,514	79	38	88	59	-12.0	11.4	-7.0	55.3
Valuation (thousands of dollars)	9,056,146	11,595,243	36,555	9,056	34,979	46,631	16.3	-4.3	28.0	414.9
Floor area (thousands of square feet)	252,915	321,468	1,030	118	688	1,153	8.7	-33.2	27.1	879.1
Nonbuilding										
Number of contracts	13,713	15,077	75	25	59	50	-9.1	-21.3	9.9	100.0
Valuation (thousands of dollars)	9,012,888	11,144,452	18,865	11,042	20,217	15,052	20.6	7.2	23.7	36.3
Streets and Highways										
Number of contracts	3,989	4,750	18	7	10	8	-17.8	-44.4	19.1	14.3
Valuation (thousands of dollars)	1,399,453	2,255,221	5,970	1,333	3,354	1,729	-18.1	-43.8	61.2	29.7

1 Contracts started or expected to start within 60 days
2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for Rhode Island are not available.

TABLE 7.—Retail Sales, United States and Rhode Island

	United States		Rhode Island				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Rhode Island

	United States		Rhode Island				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Not seasonally adjusted						Percent change			
New business incorporations ..	115,247	n.a.	474	506	551	n.a.	13.2	16.2	---	---
Total number of business failures	1,729	n.a.	13	9	14	n.a.	-4.9	7.7	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	2,924	1,809	761	n.a.	13.7	-74.0	---	---
Average liability per failure (thousands of dollars) ..	404	n.a.	225	201	54	n.a.	19.4	-76.0	---	---
Business failures by industry										
Mining and manufacturing ..	271	n.a.	3	1	2	n.a.	6.0	-33.3	---	---
Construction ..	279	n.a.	3	1	3	n.a.	-8.2	.0	---	---
Wholesale trade ..	205	n.a.	1	2	2	n.a.	-6.3	100.0	---	---
Retail trade ..	769	n.a.	5	5	6	n.a.	-4	20.0	---	---
Commercial services ..	205	n.a.	1	0	1	n.a.	-23.5	.0	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 12.0% vs. 12.6% in U.S., to \$19.6 billion
- Payrolls up 3.3% in Federal Government vs. 7.6% in U.S. and 7.6% in construction vs. 21.3% in U.S.

Consumer prices

- Up 7.7% in Atlanta vs. 9.9% in U.S.

Employment

- Up 1.4% vs. 3.8% in U.S., to 1.2 million

Unemployment

- Down 6,000, to 72,000
- Rate down to 5.6% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up 59.3% vs. 19.8% in U.S.
- Valuation of nonbuilding contracts up 184.5% vs. 23.7% in U.S.
- Number of dwelling-unit starts up 11.4% vs. 2.6% in U.S.

TABLE 1.—Summary of Economic Indicators, United States and South Carolina

	United States		South Carolina				U S	State	U S	State
	1978 I	1979 I	1977:IV	1978 I	1978:IV	1979:I	1977 IV— 1978 IV		1978 I— 1979:I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	16,924	17,489	18,987	19,580	12.6	12.2	12.6	12.0
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	11,293	11,695	12,529	12,989	12.6	10.9	12.8	11.1
Civilian employment (thousands)	91,401	94,901	1,204	1,187	1,232	1,203	3.9	2.4	3.8	1.4
Unemployment (thousands)	6,705	6,360	84	78	68	72	-8.8	-18.4	-5.1	-7.4
Percent unemployed (unemployment/labor force)	6.8	6.3	6.5	6.1	5.3	5.6	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	3,119	3,221	3,507	n.a.	15.6	12.4	---	---
Total deposits (millions of dollars)	911,772	n.a.	4,967	4,919	5,278	n.a.	9.3	6.3	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	479,214	481,535	578,788	767,217	16.8	20.8	19.8	59.3
Dwelling units started (number)	404,171	414,826	6,401	6,357	8,257	7,082	-2	29.0	2.6	11.4
Total retail sales (millions of dollars)	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
New business incorporations (number)	115,247	n.a.	885	1,039	765	n.a.	13.2	-13.6	---	---
Business failures (number)	1,729	n.a.	0	2	2	n.a.	-4.9	---	---	---
Consumer Price Index (1967=100)										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Atlanta	---	---	184.5	188.2	198.8	202.7	---	7.8	---	7.7

n.a. Data not available

Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in South Carolina increased 12.0 percent from 1978:I to 1979:I versus 12.6 percent nationally (table 2). In 1979:I, the State's personal income totaled \$19.6 billion, up \$2.1 billion since 1978:I.

From 1978:I to 1979:I, the Consumer Price Index for the Atlanta metropolitan area increased 7.7 percent versus a national city average increase of 9.9 percent (table 3). If Atlanta's increase is used as an indicator for price movements in the State, real total personal income in South Carolina increased 4.3 percent from year to year versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 11.1 percent in the State versus 12.8 percent nationally. South Carolina's increase was one of the smallest in the Nation. In 1979:I, payrolls totaled \$13.0 billion in the State, up \$1.3 billion since 1978:I.

Federal Government payrolls increased only 3.3 percent from year to year versus 7.6 percent nationally. South Carolina's increase ranked 49th in the Nation. State and local government payrolls, in contrast, increased 7.5 percent from year to year, compared with a 6.1-percent national increase.

Construction payrolls increased 7.6 percent in the State versus 21.3 percent nationally. The State's increase ranked 49th in the Nation.

Total manufacturing payrolls increased 11.3 percent, one of the smallest increases among all States, compared with a national increase of 14.0 percent. Durable goods manufacturing payrolls increased 14.4 percent, 1.8 percentage points less than nationally, and nondurable goods payrolls increased 10.0 percent, about the same as nationally.

All private service-type industries in the State registered above-national-average payroll increases. Transportation-communication-public utilities payrolls increased 16.3 percent from year to year, 4.8 percentage points more than nationally. Similarly, finance-insurance-real estate payrolls increased 15.8 percent versus 13.3 percent nationally, and services payrolls increased 13.7 percent versus 11.7 percent nationally. Trade payrolls increased 15.1 percent in the State and 13.7 percent nationally.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

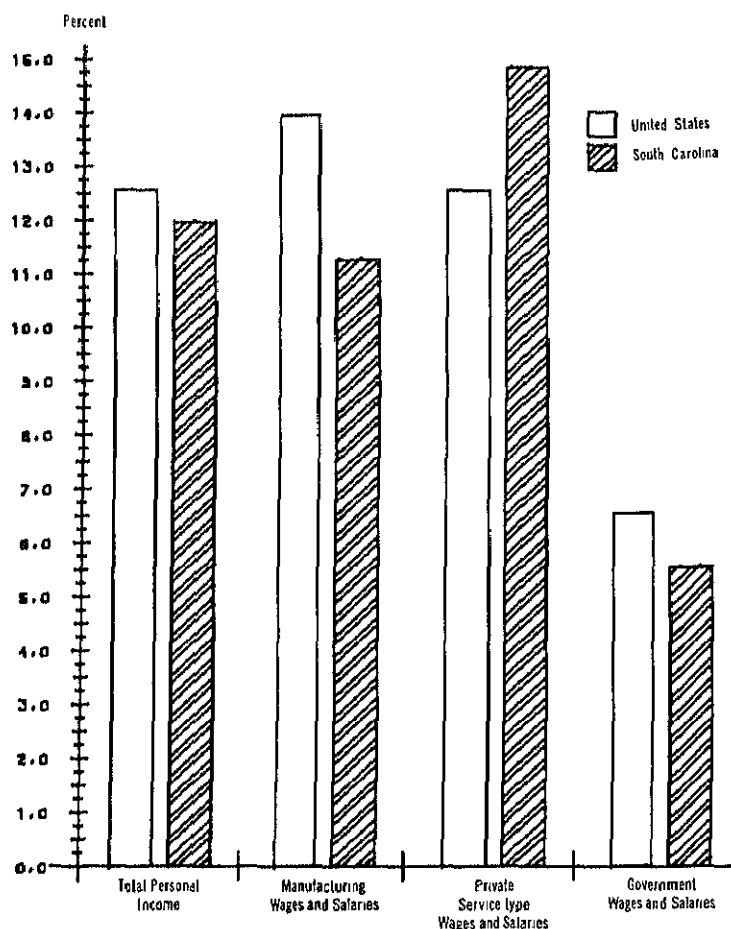


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

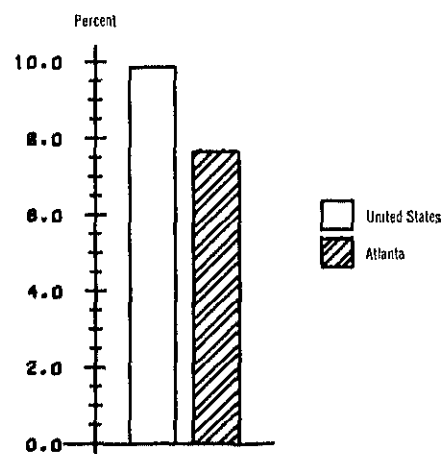


Chart 3.—Total Personal Income
[Seasonally adjusted]

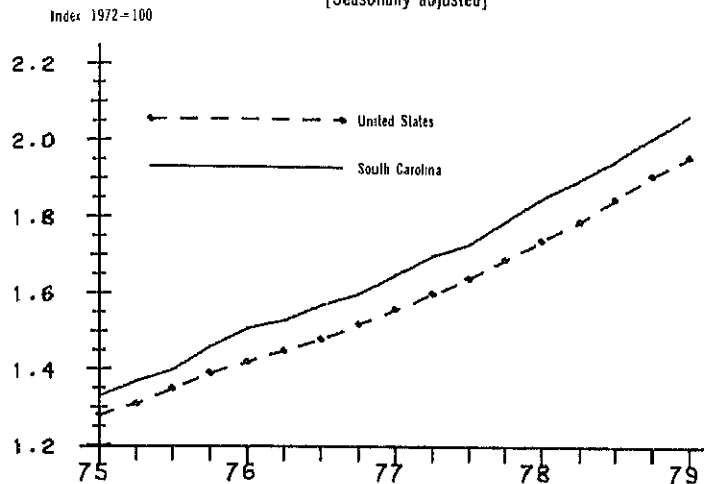


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

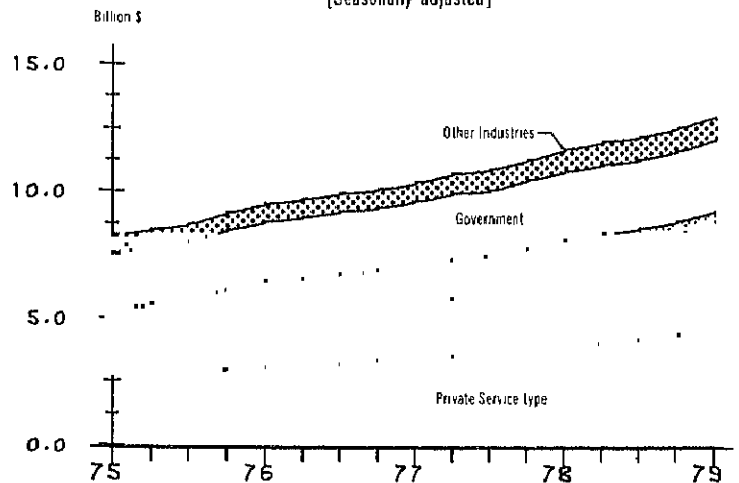


TABLE 2.—Personal Income, United States and South Carolina

	United States		South Carolina				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV-- 1978 IV		1978 I-- 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	16,924	17,489	18,987	19,580	12.6	12.2	12.6	12.0
Farm personal income	32,083	40,141	228	276	400	438	26.3	75.3	25.1	58.6
Nonfarm personal income	1,592,582	1,789,374	16,696	17,213	18,587	19,143	12.3	11.3	12.4	11.2
Total personal income	1,624,665	1,829,515	16,924	17,489	18,987	19,580	12.6	12.2	12.6	12.0
Wage and salary disbursements	1,042,716	1,176,598	11,293	11,695	12,529	12,989	12.6	10.9	12.8	11.1
Other labor income	99,957	115,833	943	1,000	1,094	1,141	16.4	16.1	15.9	14.1
Proprietors' income	108,808	126,535	988	1,063	1,265	1,303	18.9	28.1	16.3	22.5
Farm	24,448	31,221	146	193	310	343	31.3	112.8	27.7	77.3
Nonfarm	84,360	95,314	842	870	955	960	15.3	13.4	13.0	10.4
Dividends, interest, and rent	221,191	250,595	1,854	1,915	2,105	2,184	12.8	13.5	13.3	14.0
Transfer payments	219,202	238,794	2,329	2,356	2,554	2,601	8.2	9.7	8.9	10.4
State unemployment insurance benefits	9,997	8,023	86	59	58	46	-30.3	-33.1	-19.7	-22.9
Less personal contributions	66,792	78,351	694	758	794	876	15.1	14.4	17.3	15.5
Plus residence adjustment	-417	-489	212	218	234	239	---	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	11,293	11,695	12,529	12,989	12.6	10.9	12.8	11.1
Farm	7,215	8,422	81	81	88	93	10.6	9.0	16.7	15.0
Nonfarm	1,035,501	1,168,176	11,213	11,614	12,441	12,896	12.6	11.0	12.8	11.0
Mining...	12,013	19,166	20	19	25	25	33.9	22.7	59.5	31.2
Construction...	56,564	68,593	668	703	735	756	20.1	10.1	21.3	7.6
Manufacturing	285,735	325,636	3,999	4,221	4,476	4,698	13.3	11.9	14.0	11.3
Durable goods	182,321	211,944	1,186	1,246	1,403	1,425	15.2	18.3	16.2	14.4
Nondurable goods	103,414	113,692	2,814	2,975	3,073	3,273	10.0	9.2	9.9	10.0
Private service type	473,132	532,823	3,784	3,956	4,367	4,547	13.1	15.4	12.6	14.9
Transportation, communication, and public utilities	79,598	88,755	621	657	729	763	11.3	17.5	11.5	16.3
Wholesale and retail trade	177,331	201,608	1,556	1,629	1,795	1,875	14.1	15.4	13.7	15.1
Finance, insurance, and real estate	55,930	63,373	426	431	486	499	13.2	13.9	13.3	15.8
Services	160,273	179,087	1,181	1,239	1,357	1,410	12.7	14.9	11.7	13.7
Government	204,558	218,008	2,704	2,674	2,795	2,824	6.9	3.4	6.6	5.6
Federal	68,698	73,916	1,302	1,239	1,285	1,280	7.1	-1.3	7.6	3.3
State and local	135,860	144,092	1,402	1,436	1,511	1,544	6.8	7.8	6.1	7.5
Other	3,499	3,950	38	41	43	46	14.6	14.5	12.9	12.8

1 Detail may not add to totals because of rounding.

2 Based on unrounded data

Source U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and South Carolina¹

	United States		South Carolina				U S	State	U S	State
	1978:I	1979 I	1977:IV	1978:I	1978:IV	1979 I	1977:IV-- 1978:IV		1978:I-- 1979:I	
	Index, 1967=100, not seasonally adjusted						Percent change			
U.S. city average ² ...	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Atlanta ...	---	---	184.5	188.2	198.8	202.7	---	7.8	---	7.7

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.

2 Average for 85 representative urban areas based on the 1970 Census of Population

Source U.S. Department of Labor, Bureau of Labor Statistics

NOTE.—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, South Carolina's civilian labor force increased 0.8 percent versus 3.2 percent nationally (table 4). The State's increase was one of the smallest in the Nation. Total employment increased 1.4 percent (to 1.2 million), compared with a 3.8-percent increase nationally. South Carolina's increase in employment was the smallest in the Southeast region; Florida's increase, 5.4 percent, was the largest in the

region.

With employment increasing by 16,000 and the labor force increasing by 10,000, the number of unemployed declined by 6,000, to 72,000. South Carolina's unemployment rate declined moderately, to 5.6 percent of the labor force in 1979:I versus a national rate of 6.3 percent.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: South Carolina

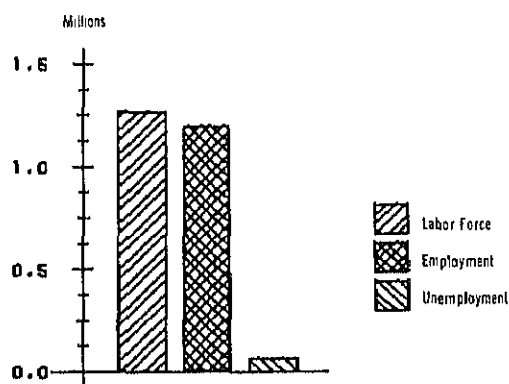


Chart 6.—Unemployment Rates, 1978:I—1979:I

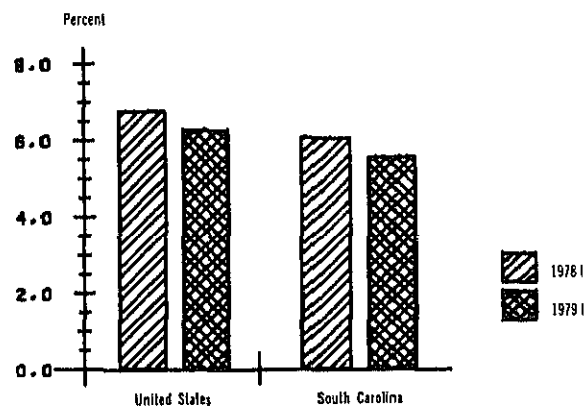


TABLE 4.—Labor Force, United States and South Carolina

	United States		South Carolina				U.S.	State	U.S.	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV		1978:I— 1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,106	1,106	1,152	1,145	4.2	4.1	2.9	3.5
Mining	730	896	2	2	2	2	14.4	5.6	22.7	5.6
Construction	3,784	3,973	68	66	68	64	11.2	-7	5.0	-2.6
Manufacturing	20,064	20,652	385	386	395	392	3.6	2.4	2.9	1.6
Transportation, communication, and public utilities	4,779	4,943	46	47	51	51	4.4	11.2	3.4	9.2
Wholesale and retail trade	18,937	19,549	207	202	218	214	4.5	5.3	3.2	5.9
Finance, insurance, and real estate	4,601	4,790	42	42	44	45	5.2	5.5	4.1	5.4
Services	15,758	16,149	134	138	146	149	4.4	8.5	2.5	7.8
Government	15,435	15,648	222	224	229	230	1.4	3.0	1.4	2.5
Civilian labor force ³	98,106	101,260	1,287	1,265	1,300	1,275	3.1	1.0	3.2	.8
Total employed	91,401	94,901	1,204	1,187	1,232	1,203	3.9	2.4	3.8	1.4
Total unemployed	6,705	6,360	84	78	68	72	-8.8	-18.4	-5.1	-7.4
Percent unemployed	6.8	6.3	6.5	6.1	5.3	5.6	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.
Source: U.S. Department of Labor, Bureau of Labor Statistics

Chart 7.—Civilian Labor Force

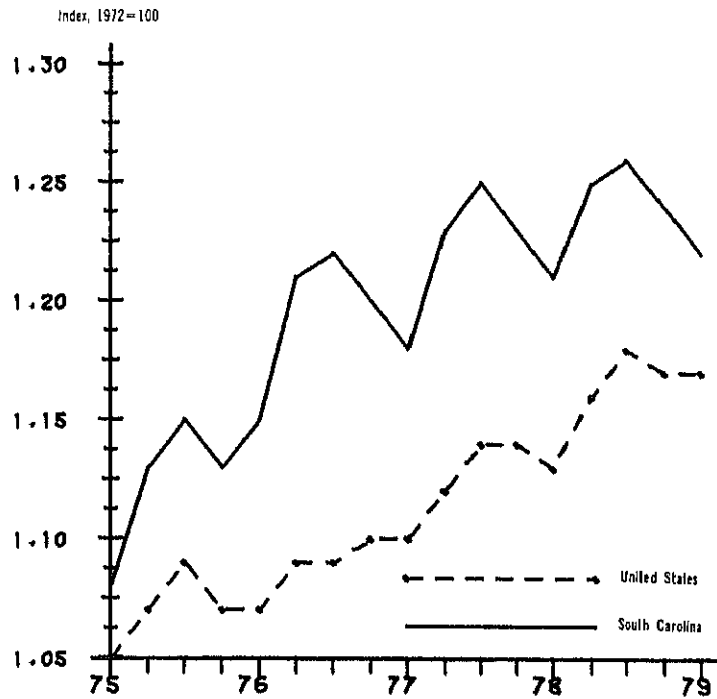


Chart 8.—Civilian Employment

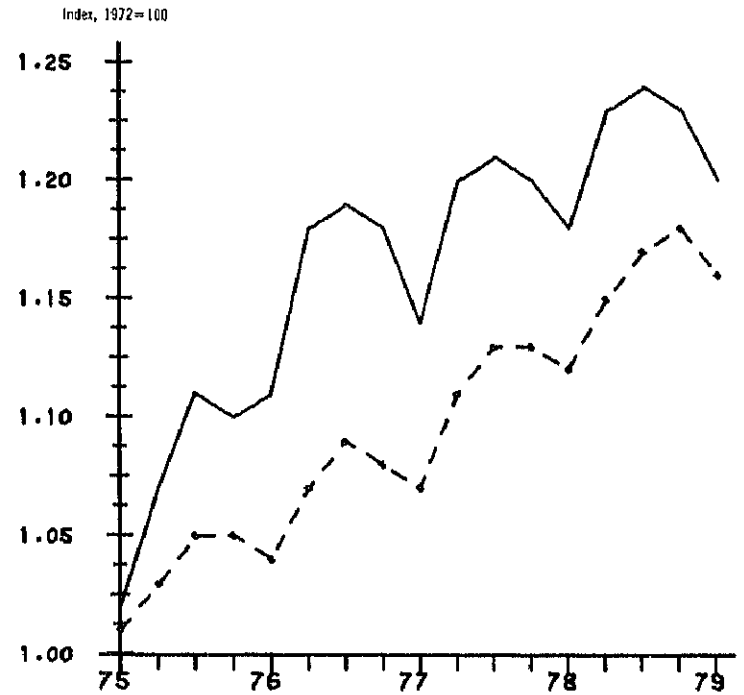


Chart 9.—Unemployment Rate

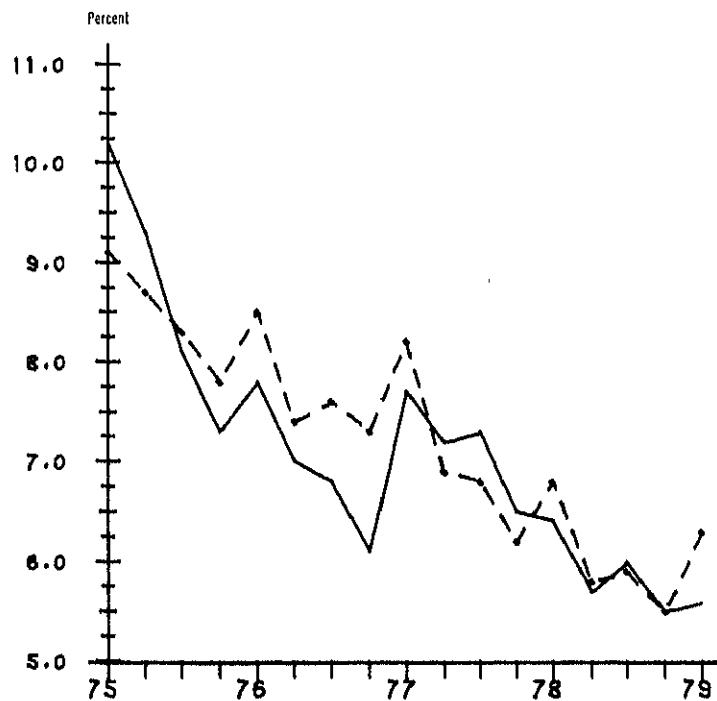
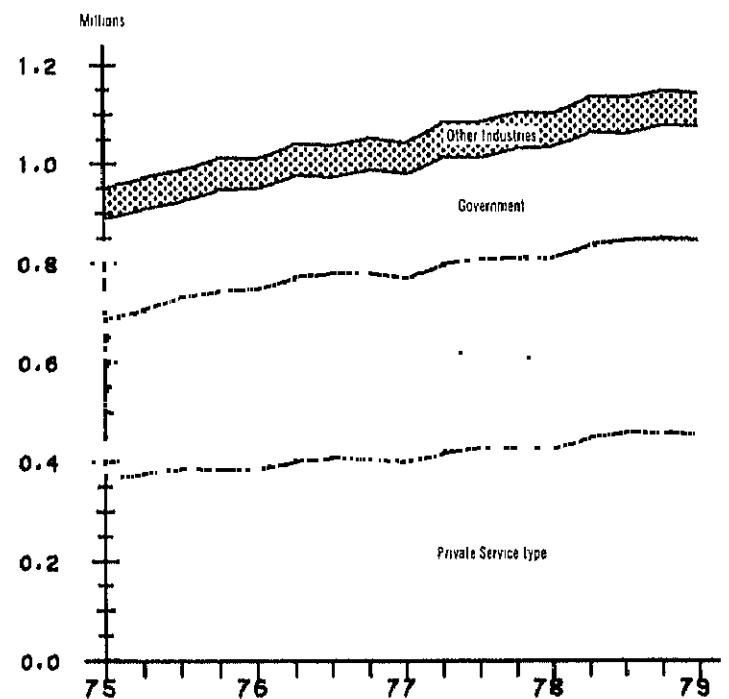


Chart 10.—Industrial Composition of Nonagricultural Employment: South Carolina



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and South Carolina

	United States		South Carolina				U S	State	U S	State
	1978 I	1979.I	1977-IV	1978.I	1978-IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Millions of dollars, not seasonally adjusted ^a						Percent change ^a			
Total loans	619,218	n.a.	3,119	3,221	3,507	n.a.	15.6	12.4	---	---
Commercial and industrial	202,241	n.a.	841	874	872	n.a.	13.3	3.6	---	---
Loans to individuals	143,356	n.a.	1,359	1,394	1,588	n.a.	18.7	16.8	---	---
Real estate	183,599	n.a.	740	780	880	n.a.	19.6	19.0	---	---
Residential	104,830	n.a.	292	301	347	n.a.	22.1	19.0	---	---
Farms	7,919	n.a.	47	49	48	n.a.	9.6	1.8	---	---
Other	70,851	n.a.	401	431	485	n.a.	17.0	21.0	---	---
Farms, excluding real estate	25,440	n.a.	73	75	72	n.a.	9.5	-1.4	---	---
Other	64,581	n.a.	106	97	95	n.a.	7.9	-10.4	---	---
Total deposits	911,772	n.a.	4,967	4,919	5,278	n.a.	9.3	6.3	---	---
Demand	344,245	n.a.	2,680	2,545	2,791	n.a.	5.6	4.2	---	---
Time and savings	567,527	n.a.	2,287	2,374	2,486	n.a.	11.9	8.7	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 12.4 percent (\$388 million) in South Carolina from 1977:IV to 1978:IV, 3.2 percentage points less than nationally (table 5). In 1978:IV, bank loans totaled \$3.5 billion in the State. The year-to-year increase in commercial and industrial loans in the State was 3.6 percent, the smallest increase among all States and considerably less than one-third of the national increase. Loans to individuals increased 16.8

percent versus 18.7 percent nationally, and real estate loans increased 19.0 percent versus 19.6 percent nationally.

Total deposits increased 6.3 percent (\$311 million) from 1977:IV to 1978:IV, one of the smallest increases in the Nation and 3.0 percentage points less than nationally. In 1978:IV, bank deposits totaled \$5.3 billion in the State. Time and savings deposits increased 8.7 percent from year to year, 3.2 percentage points less than nationally, and demand deposits increased 4.2 percent, 1.4 percentage points less than nationally.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 59.3 percent (\$285.7 million), to \$767.2 million, compared with a 19.8-percent national increase (table 6). South Carolina's increase was one of the largest in the Nation. In 1979:I, a \$135.0 million contract for the construction of an electric generating plant in Georgetown County and a \$24.8 million contract for the construction of a shopping center in Greenville County raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. If both contracts are excluded, the total valuation of contracts in South Carolina would have increased 26.1 percent from year to year. From 1978:I to 1979:I, national construction costs increased about 14 percent.

Primarily reflecting the Georgetown County contract, the valuation of nonbuilding contracts increased 184.5 percent (\$165.2 million), one of the largest percentage increases in the Nation, compared with a 23.7-

percent national increase. In contrast, the valuation of street and highway contracts, a major component of nonbuilding contracts, increased 30.8 percent (\$10.7 million), or one-half of the national rate of increase.

Partly reflecting the Greenville County contract, the valuation of nonresidential contracts increased 53.2 percent (\$57.9 million) in the State versus 28.0 percent nationally.

The increase in the valuation of residential housekeeping contracts was far larger in South Carolina, 20.2 percent (\$41.9 million), than in the Nation, 11.8 percent. Moreover, the number of dwelling units started increased 11.4 percent (725 units) in the State, to 7,082, compared with a national increase of only 2.6 percent. The valuation of contracts for additions and alterations to residential housekeeping units increased 30.5 percent (\$21.6 million) versus 17.9 percent nationally; South Carolina's increase was one of the largest in the Nation.

Chart 14.—Construction Contracts—Total Valuation

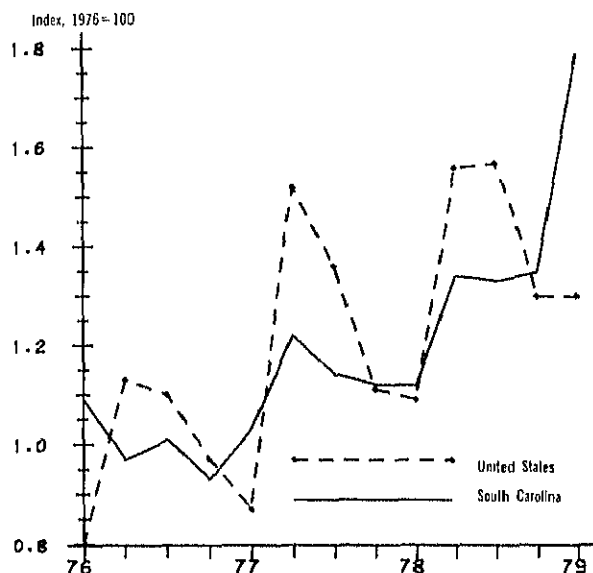


Chart 15.—Construction Contracts—Valuation of Contracts by Type; South Carolina

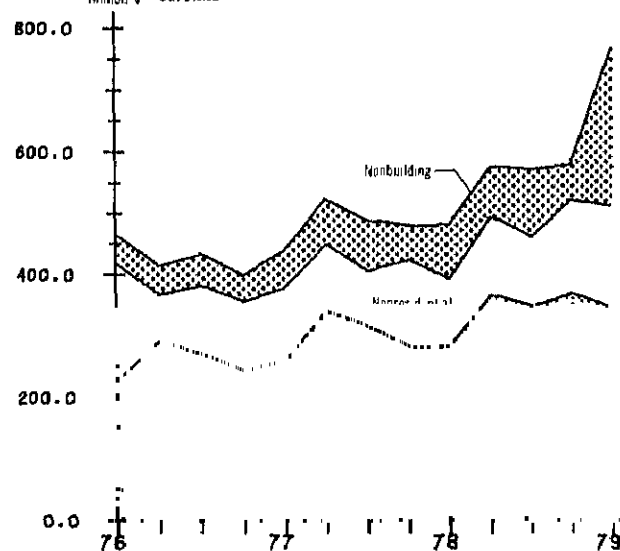


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

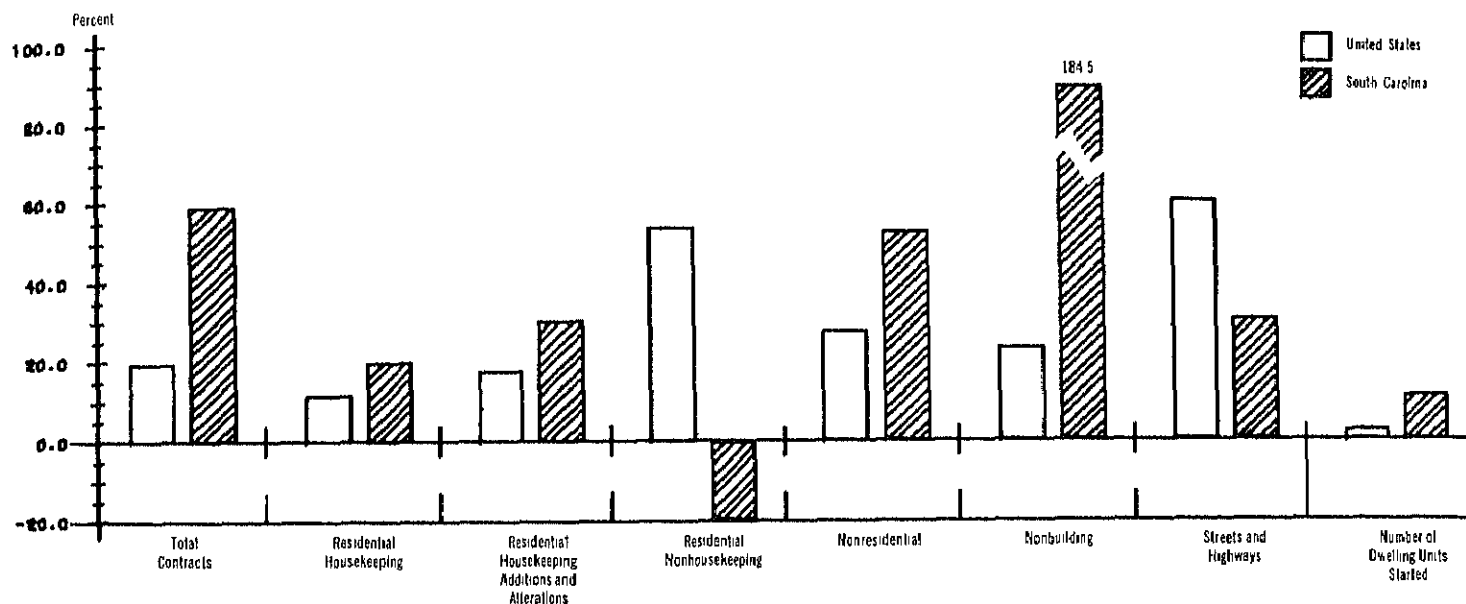


TABLE 6.—Construction Contracts, United States and South Carolina¹

	United States		South Carolina				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
Not seasonally adjusted							Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	479,214	481,535	578,788	767,217	16.8	20.8	19.8	59.3
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	83,362	70,838	109,651	92,473	14.6	31.5	17.9	30.5
All other contracts										
Number of contracts	53,028	53,454	811	849	758	825	-9.3	-6.5	8	-2.8
Valuation (thousands of dollars)	32,202,931	38,675,376	395,852	410,697	469,137	674,744	17.3	18.5	20.1	64.3
Floor area (thousands of square feet)	807,538	904,811	14,306	14,427	17,870	17,390	10.3	24.9	12.0	20.5
Residential housekeeping										
Number of contracts	13,592	14,399	193	180	218	209	-4.3	13.0	5.9	16.1
Number of dwelling units	404,171	414,826	6,401	6,357	8,257	7,082	-2	29.0	2.6	11.4
Valuation (thousands of dollars)	13,806,696	15,431,523	192,558	207,568	256,965	249,426	15.6	33.4	11.8	20.2
Floor area (thousands of square feet)	546,445	571,860	9,732	10,574	12,765	11,615	10.7	31.2	4.7	9.8
Residential nonhousekeeping										
Number of contracts	441	464	16	15	9	9	-4	-43.7	5.2	-40.0
Valuation (thousands of dollars)	327,201	504,158	5,732	4,682	2,821	3,766	54.9	-50.8	54.1	-19.6
Floor area (thousands of square feet)	8,179	11,483	137	147	84	163	34.7	-38.6	40.4	10.8
Nonresidential										
Number of contracts	25,282	23,514	394	397	358	356	-12.0	-9.1	-7.0	-10.3
Valuation (thousands of dollars)	9,056,146	11,595,243	143,349	108,917	151,895	166,812	16.3	6.0	28.0	53.2
Floor area (thousands of square feet)	252,915	321,468	4,437	3,705	5,021	5,612	8.7	13.2	27.1	51.5
Nonbuilding										
Number of contracts	13,713	15,077	208	257	173	251	-9.1	-16.8	9.9	-2.3
Valuation (thousands of dollars)	9,012,888	11,144,452	54,213	89,530	57,456	254,740	20.6	6.0	23.7	184.5
Streets and Highways										
Number of contracts	3,989	4,750	45	94	56	106	-17.8	24.4	19.1	12.8
Valuation (thousands of dollars)	1,399,453	2,255,221	24,679	34,662	24,231	45,326	-18.1	-1.8	61.2	30.8

1 Contracts started or expected to start within 60 days
2 Percent changes for floor area based on unrounded data

Source: F W Dodge Division, McGraw Hill Information Systems Company
NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for South Carolina are not available.

TABLE 7.—Retail Sales, United States and South Carolina

	United States		South Carolina				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted							Percent change		
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n.a.	n.a.	n.a.	n.a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	n.a.	n.a.	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

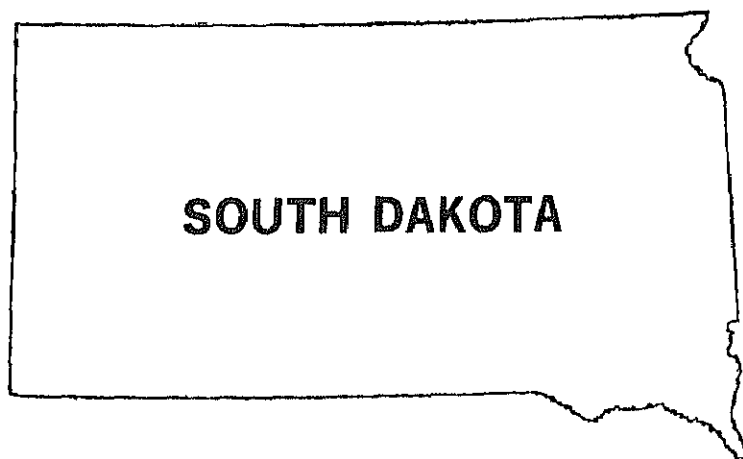
TABLE 8.—Business Incorporations and Failures, United States and South Carolina

	United States		South Carolina				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV— 1978:IV	1978:I— 1979:I		
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	885	1,039	765	n.a.	13.2	-13.6	---	---
Total number of business failures	1,729	n.a.	0	2	2	n.a.	-4.9	---	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	0	191	2,099	n.a.	13.7	---	---	---
Average liability per failure (thousands of dollars)	404	n.a.	0	96	1,050	n.a.	19.4	---	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	0	0	0	n.a.	6.0	---	---	---
Construction	279	n.a.	0	0	0	n.a.	-8.2	---	---	---
Wholesale trade	205	n.a.	0	1	0	n.a.	-6.3	---	---	---
Retail trade	769	n.a.	0	1	2	n.a.	-4	---	---	---
Commercial services	205	n.a.	0	0	0	n.a.	-23.5	---	---	---

n.a. Data not available

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 9.1% vs. 12.6% in U.S., to \$5.0 billion
- Farm personal income down 1.1% vs. 25.1% increase in U.S.
- Payrolls up 5.5% in government vs. 6.6% in U.S.

Employment

- Up 5.8% vs. 3.8% in U.S., to 312,000

Unemployment

- Up 1,000, to 13,000
- Rate up to 4.0% of labor force vs. 6.3% U.S. rate

Construction

- Total valuation of contracts up 39.6% vs. 19.8% in U.S., to \$113.8 million
- Valuation of nonbuilding contracts up 260.5% vs. 23.7% in U.S.
- Number of dwelling-unit starts up 23.5% vs. 2.6% in U.S.

TABLE 1.—Summary of Economic Indicators, United States and South Dakota

	United States		South Dakota				U S	State	U S	State
	1978 I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978:IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
All indicators, except income, not seasonally adjusted							Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	4,591	4,547	5,019	4,962	12.6	9.3	12.6	9.1
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	2,108	2,185	2,367	2,434	12.6	12.3	12.8	11.4
Civilian employment (thousands)	91,401	94,901	303	295	313	312	3.9	3.3	3.8	5.8
Unemployment (thousands)	6,705	6,360	8	12	9	13	-8.8	15.9	-5.1	10.2
Percent unemployed (unemployment/labor force)	6.8	6.3	2.5	3.9	2.8	4.0	---	---	---	---
Total loans (millions of dollars)	619,218	n a	2,340	2,369	2,660	n a	15.6	13.7	---	---
Total deposits (millions of dollars)	911,772	n.a.	3,443	3,453	3,785	n a	9.3	9.9	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	162,170	81,521	247,913	113,767	16.8	52.9	19.8	39.6
Dwelling units started (number)	404,171	414,826	1,741	783	1,494	967	-2	-14.2	2.6	23.5
Total retail sales (millions of dollars)	167,940	194,529	n a.	n a.	n a	n a	11.2	---	15.8	---
New business incorporations (number)	115,247	n a	220	226	218	n a.	13.2	-9	---	---
Business failures (number)	1,729	n.a.	11	9	4	n a	-4.9	-63.6	---	---
Consumer Price Index (1967=100). U S city average..	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n a Data not available

Source See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in South Dakota increased 9.1 percent from 1978:I to 1979:I, 3.5 percentage points less than nationally (table 2). The State's increase, the fifth smallest in the Nation after increases in Alaska, North Dakota, the District of Columbia, and Nebraska, brought personal income to a total of almost \$5.0 billion, up \$415 million since 1978:I. Farm personal income in the State declined 1.1 percent, compared with a 25.1-percent national increase. This decline contributed substantially to the State's lag in total income growth; in 1979:I, farm income accounted for 14.5 percent of total income in the State versus a national weight of 2.2 percent. South Dakota's nonfarm personal income increased 11.1 percent versus 12.4 percent nationally

Wage and salary disbursements (payrolls) increased 11.4 percent from year to year, compared with 12.8 percent nationally. South Dakota's increase, among the 10 smallest in the Nation, brought total payrolls to \$2.4 billion, up \$249 million since 1978:I.

Payrolls in the private service-type industry group increased 11.9 percent in the State versus 12.6 percent in the Nation. Payroll increases in transportation-communication-public utilities and services were between 2 and 3 percentage points below corresponding national increases, while payroll increases in finance-insurance-real estate and trade were above corresponding national increases.

Nondurables manufacturing payrolls increased 3.1 percent, one-third of the national increase and among the smallest increases in the Nation. In contrast, durables manufacturing payrolls increased 26.1 percent, nearly 10 percentage points more than nationally and among the five largest increases in the Nation.

Federal Government payrolls increased 5.4 percent in the State versus 7.6 percent in the Nation, and State and local government payrolls increased 5.6 percent in the State versus 6.1 percent in the Nation.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

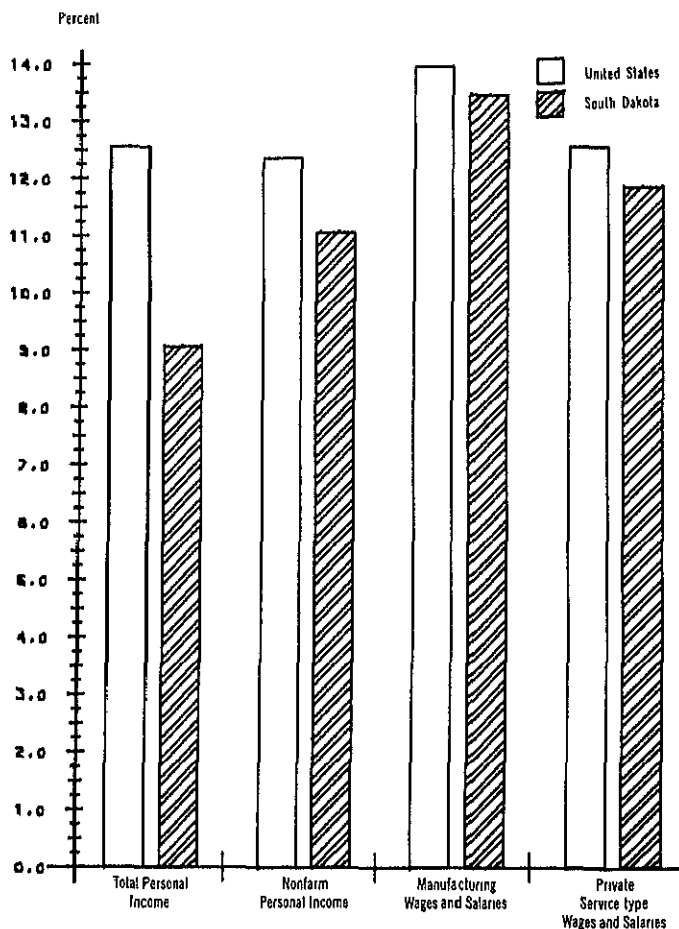
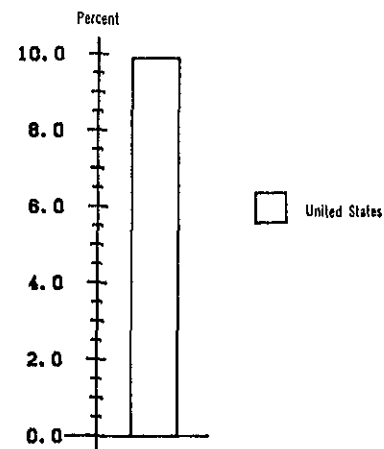


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I



July 1979

Chart 3.—Total Personal Income
[Seasonally adjusted]

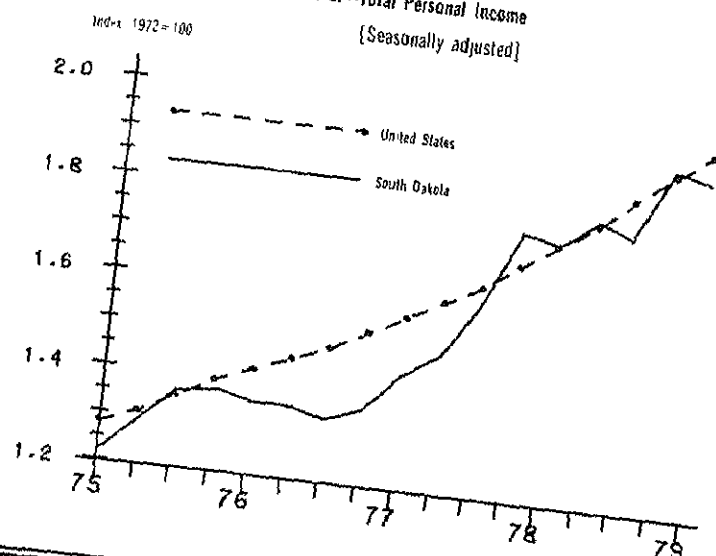
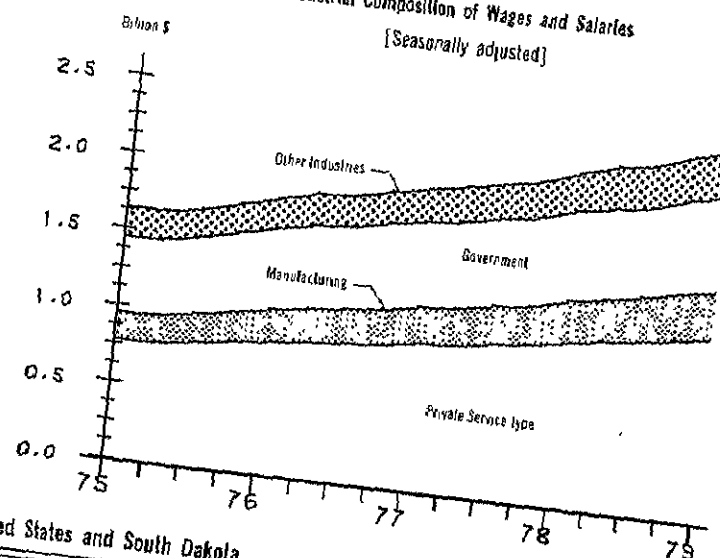


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]



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TABLE 2.—Personal Income, United States and South Dakota

	United States		South Dakota			Percent change ²			
	1978 I	1979 I	1977 IV	1978 I	1979 I	1977 IV— 1978 IV	State	U S	State
	Millions of dollars, seasonally adjusted at annual rates ¹								
Total personal income	1,624,665	1,829,515	4,591	4,547	5,019	4,962	12.6	9.3	12.6
Farm personal income	32,083	40,141	886	728	873	720	26.3	-1.5	25.1
Nonfarm personal income	1,592,582	1,789,374	3,705	3,820	4,146	4,243	12.3	11.9	12.4
Total personal income	1,624,665	1,829,515	4,591	4,547	5,019	4,962	12.6	9.3	12.6
Wage and salary disbursements	1,042,716	1,176,598	2,108	2,185	2,367	2,434	12.6	12.3	12.8
Other labor income	99,957	115,833	183	193	214	221	16.4	16.9	15.9
Proprietors' income	108,808	126,535	183	193	214	221	18.9	2.5	16.3
Farm	24,448	31,221	836	998	1,174	1,021	31.3	-2.1	27.7
Nonfarm	84,360	95,314	309	320	355	368	15.3	15.0	13.0
Dividends, interest, and rent	221,191	250,595	772	834	862	862	12.8	11.2	13.3
Transfer payments	219,202	238,794	578	587	630	642	8.2	8.9	8.9
State unemployment insurance benefits	8,997	8,023	13	10	9	9	-30.3	-29.2	-19.7
Loss personal contributions	66,792	78,351	178	193	206	225	15.1	15.7	17.3
Plus residence adjustment	-417	-489	5	5	6	7	---	---	---
Wage and salary disbursements	1,042,716	1,176,598	2,108	2,185	2,367	2,434	12.6	12.3	12.8
Farm	7,215	8,422	49	49	53	56	10.6	9.0	16.7
Nonfarm	1,035,501	1,168,176	2,059	2,136	2,314	2,378	12.6	12.4	12.8
Mining	12,013	19,166	38	34	47	51	33.9	25.0	59.5
Construction	56,564	68,593	147	153	172	181	20.1	17.2	21.3
Manufacturing	285,735	325,636	251	272	303	308	13.3	20.8	14.0
Durable goods	182,321	211,944	109	122	144	154	15.2	31.8	16.2
Non-durable goods	103,414	113,692	141	149	159	154	10.0	12.2	9.9
Private service type	473,132	532,823	1,044	1,084	1,178	1,213	13.1	12.8	12.6
Transportation, communication, and public utilities	79,598	88,755	171	185	191	200	11.3	11.5	11.5
Wholesale and retail trade	177,331	201,608	458	467	519	532	14.1	13.4	13.7
Finance, insurance, and real estate	55,930	63,373	105	107	119	125	13.2	14.2	13.3
Services	160,273	179,087	311	325	349	355	12.7	12.1	11.7
Government	204,558	218,008	574	586	608	618	6.9	6.0	6.6
Federal	68,698	73,916	243	249	257	262	7.1	5.7	7.6
State and local	135,860	144,092	331	337	352	356	6.8	6.3	6.1
Other	3,499	3,950	6	7	7	7	14.6	6.5	12.9

1 Detail may not add to totals because of rounding
2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and South Dakota¹

	United States		South Dakota			Percent change			
	1978 I	1979 I	1977 IV	1978 I	1979 I	1977 IV— 1978 IV	State	U S	State
	Index, 1967=100, not seasonally adjusted								
U.S. city average ²	188.4	207.0	---	---	---	8.9	---	9.9	---

1. Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population
Source: U.S. Department of Labor, Bureau of Labor Statistics.

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, South Dakota's civilian labor force increased 5.9 percent versus 3.2 percent nationally (table 4). Only three States—Wyoming, New Jersey, and Arizona—increased at higher rates. Total employment increased 5.8 percent, 2 percentage points more than nationally. South Dakota's increase ranked fifth among all States.

With the labor force increasing 18,000 and employment increasing 17,000, the number of unemployed increased 1,000, to 13,000. The

State's unemployment rate increased slightly, to 4.0 percent of the labor force in 1979:I, compared with 6.3 percent nationally. South Dakota's unemployment rate in 1979:I was one of the 10 lowest in the Nation.

March 1979 preliminary unemployment rates for the State and its major metropolitan area, Sioux Falls, were 3.8 and 3.4 percent, respectively, both up slightly since March 1978.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: South Dakota

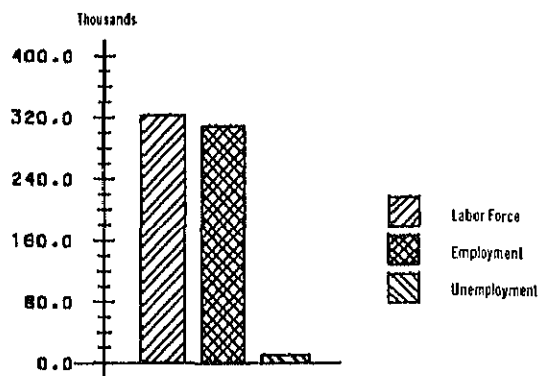


Chart 6.—Unemployment Rates, 1978:I—1979:I

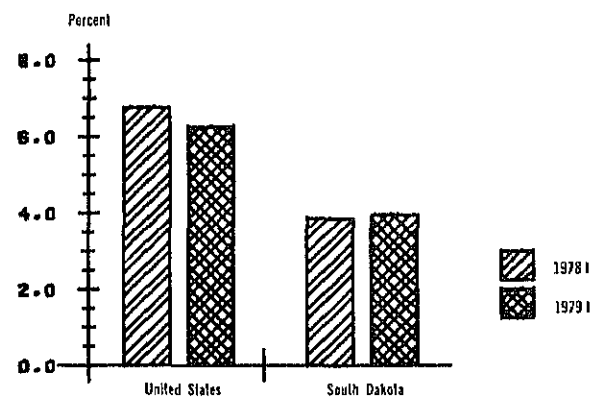


TABLE 4.—Labor Force, United States and South Dakota

	United States		South Dakota				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV	1978:I-- 1979:I		
	Thousands of persons, not seasonally adjusted ¹						Percent change ¹			
Employees on nonagricultural payrolls ...	84,207	86,680	231	223	235	230	4.2	1.7	2.9	2.9
Mining	730	896	3	3	3	3	14.4	-3.7	22.7	3.8
Construction ..	3,784	3,973	13	10	13	10	11.2	-2.2	5.0	2.0
Manufacturing ..	20,064	20,652	24	24	25	25	3.6	3.3	2.9	6.0
Transportation, communication, and public utilities ..	4,779	4,943	13	13	14	14	4.4	3.1	3.4	3.8
Wholesale and retail trade ..	18,937	19,549	63	61	64	62	4.5	1.0	3.2	1.8
Finance, insurance, and real estate ..	4,601	4,790	10	10	11	11	5.2	7.8	4.1	8.7
Services ..	15,758	16,149	47	46	49	48	4.4	2.8	2.5	4.6
Government ..	15,435	15,648	57	57	57	58	1.4	.9	1.4	.5
Civilian labor force ³ ..	98,106	101,260	311	307	323	325	3.1	3.7	3.2	5.9
Total employed ..	91,401	94,901	303	295	313	312	3.9	3.3	3.8	5.8
Total unemployed ..	6,705	6,360	8	12	9	13	-8.8	15.9	-5.1	10.2
Percent unemployed ..	6.8	6.3	2.5	3.9	2.8	4.0	--	--	--	--

1 Detail may not add to totals because of rounding.

2 Based on unrounded data.

3. Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

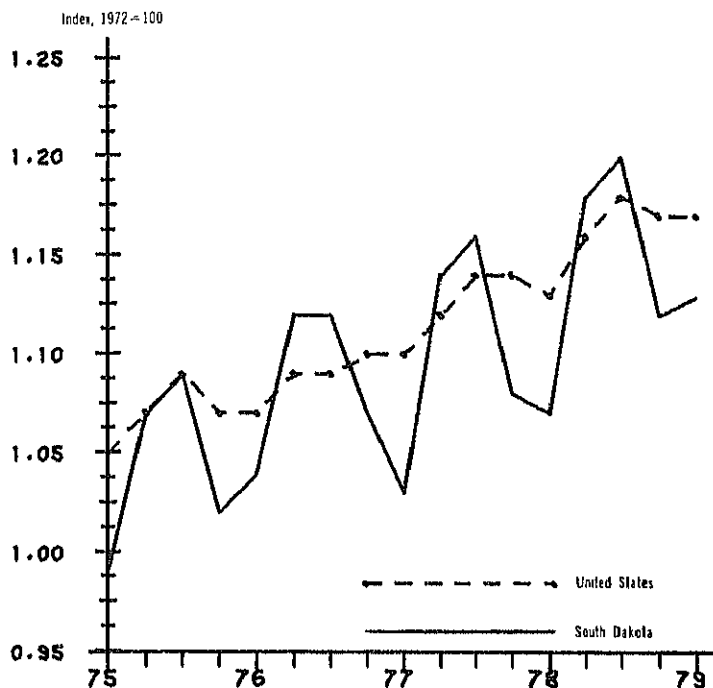


Chart 8.—Civilian Employment

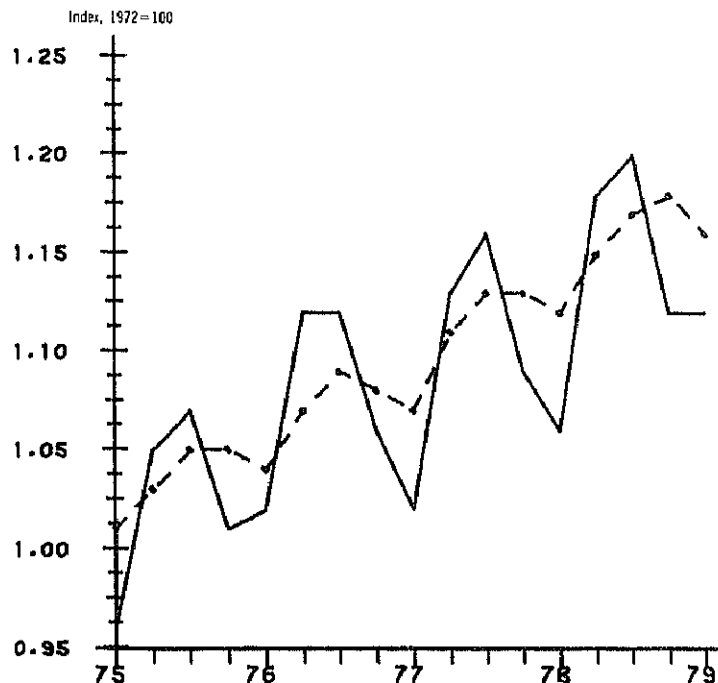


Chart 9.—Unemployment Rate

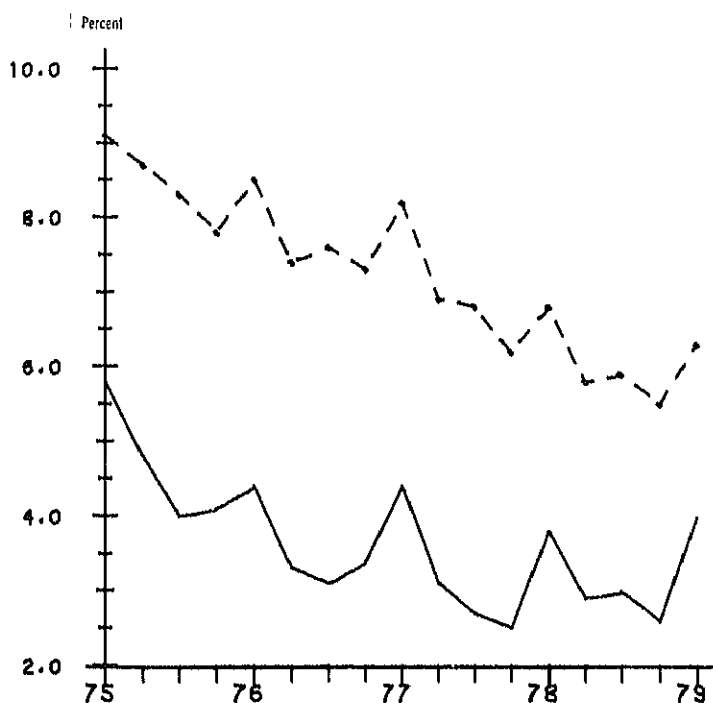
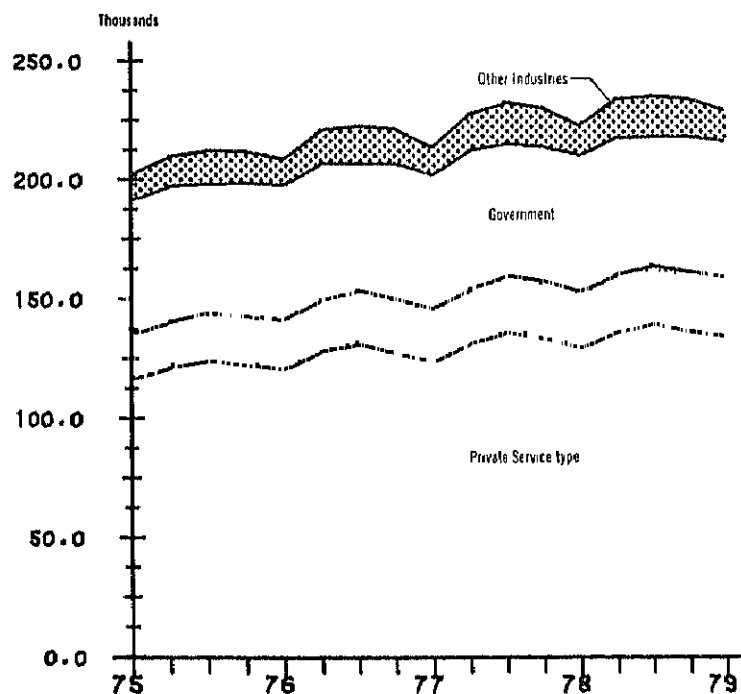


Chart 10.—Industrial Composition of Nonagricultural Employment: South Dakota



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I-1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and South Dakota

	United States		South Dakota				U.S.	State	U.S.	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	2,340	2,369	2,660	n.a.	15.6	13.7	---	---
Commercial and industrial	202,241	n.a.	487	512	560	n.a.	13.3	15.0	---	---
Loans to individuals	143,356	n.a.	447	459	517	n.a.	18.7	15.7	---	---
Real estate	183,599	n.a.	578	584	650	n.a.	19.6	12.4	---	---
Residential	104,830	n.a.	386	386	436	n.a.	22.1	12.8	---	---
Farms	7,919	n.a.	44	45	48	n.a.	9.6	8.3	---	---
Other	70,851	n.a.	148	152	167	n.a.	17.0	12.8	---	---
Farms excluding real estate	25,440	n.a.	793	778	896	n.a.	9.5	13.0	---	---
Other	64,581	n.a.	35	35	36	n.a.	7.9	3.6	---	---
Total deposits	911,772	n.a.	3,443	3,453	3,785	n.a.	9.3	9.9	---	---
Demand	344,245	n.a.	1,009	953	1,102	n.a.	5.6	9.3	---	---
Time and savings	567,527	n.a.	2,434	2,500	2,682	n.a.	11.9	10.2	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV-1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans in South Dakota increased 13.7 percent from 1977:IV to 1978:IV versus 15.6 percent nationally (table 5). In 1978:IV, bank loans totaled \$2.7 billion, up \$320 million since 1977:IV. Increases in loans to individuals (15.7 percent) and real estate loans (12.4 percent) were below corresponding national increases, while increases in commercial and industrial loans (15.0 percent) and farm loans, excluding real estate

(13.0 percent) were above corresponding national increases. The percentage increase in farm loans in South Dakota was the ninth largest in the Nation and accounted for one-third of the year-to-year increase in total loans in the State.

Total deposits in South Dakota increased 9.9 percent, 0.6 percentage point more than nationally. Bank deposits totaled \$3.8 billion in 1978:IV, up \$342 million since 1977:IV. Demand deposits in the State increased 9.3 percent versus 5.6 percent nationally, and time and savings deposits increased 10.2 percent versus 11.9 percent nationally.

Construction

From 1978:1 to 1979:1, the total valuation of construction contracts increased 39.6 percent (\$32.2 million), to \$113.8 million (table 6). The national increase was 19.8 percent. Each category of construction in the State except nonresidential building was strong relative to the corresponding national category.

Nonbuilding construction was particularly strong in South Dakota. The valuation of nonbuilding contracts increased 260.5 percent (\$33.6 million), compared with 23.7 percent nationally; the street and highway component of nonbuilding contracts, accounting for almost two-thirds of the State's increase in nonbuilding contracts, registered a 378.9-percent increase in valuation (\$21.3 million), which was more than six times the Nation's percentage increase. Only four States increased at higher rates during this timespan.

Contracts for the construction of new residential housekeeping units increased 31.5 percent in valuation (\$8.2 million), compared with an

11.8-percent increase nationally, and the number of dwelling units started increased 23.5 percent (to 967 units) versus only 2.6 percent nationally. Additions and alterations to residential housekeeping units increased 21.6 percent in valuation (\$3.6 million), compared with 17.9 percent in the Nation.

The valuation of nonresidential building contracts declined by slightly more than one-half (\$12.9 million) from year to year versus a national increase of 28.0 percent. The State's decline was the largest in the Nation. Inasmuch as the valuation of nonresidential contracts accounted for only 11 percent of the total valuation of construction contracts in the State in 1979:1 (compared with 31 percent in 1978:1), the State's weakness was more than offset by strength in the nonbuilding and residential housekeeping categories.

Chart 14.—Construction Contracts—Total Valuation

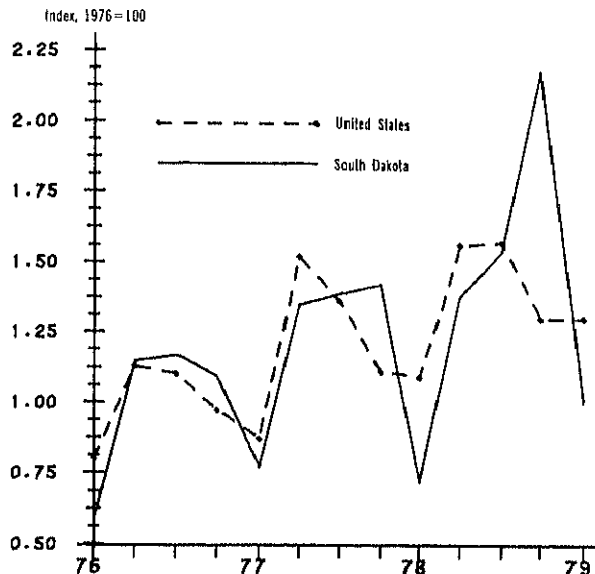


Chart 15.—Construction Contracts—Valuation of Contracts by Type: South Dakota

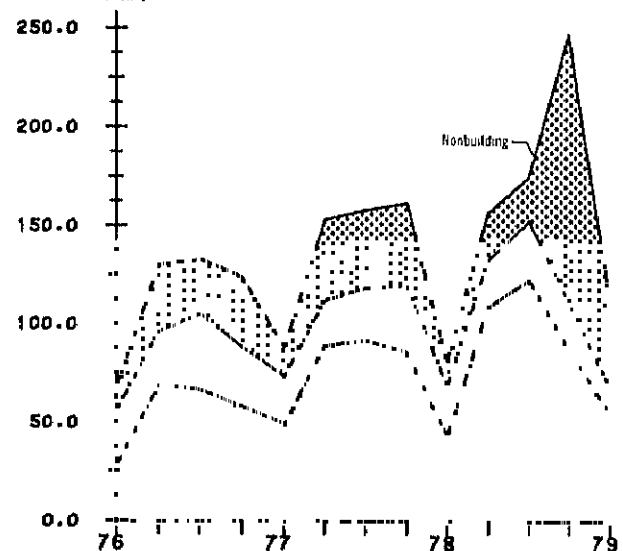


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:1—1979:1

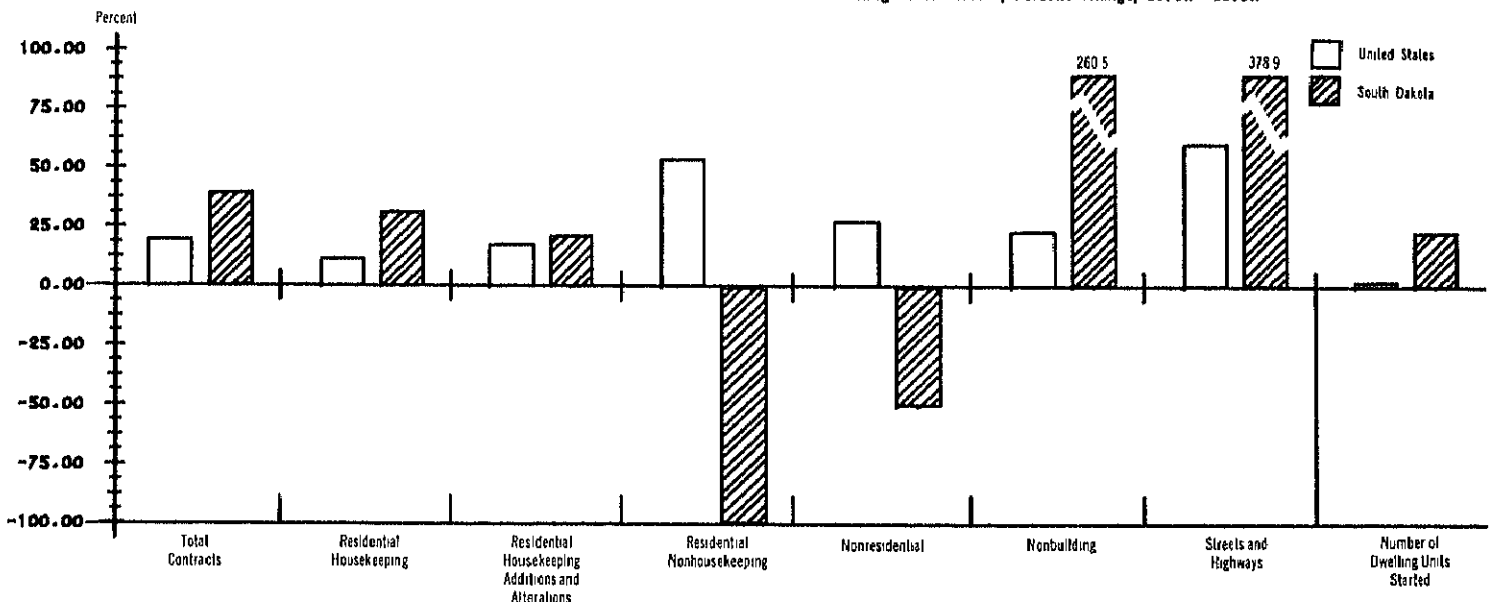


TABLE 6.—Construction Contracts, United States and South Dakota¹

	United States		South Dakota				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I		
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	162,170	81,521	247,913	113,767	16.8	52.9	19.8	39.6
Residential: housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	29,961	16,812	29,733	20,435	14.6	- 8	17.9	21.6
All other contracts										
Number of contracts	53,028	53,454	555	376	442	400	-9.3	-20.4	8	6.4
Valuation (thousands of dollars)	32,202,931	38,675,376	132,209	64,709	218,180	93,332	17.3	65.0	20.1	44.2
Floor area (thousands of square feet)	807,538	904,811	3,321	1,787	3,010	1,537	10.3	-9.4	12.0	-14.0
Residential: housekeeping										
Number of contracts	13,592	14,399	243	214	223	210	-4.3	-8.2	5.9	-1.9
Number of dwelling units	404,171	414,826	1,741	783	1,494	967	- 2	-14.2	2.6	23.5
Valuation (thousands of dollars)	13,806,696	15,431,523	53,001	26,057	56,676	34,277	15.6	6.9	11.8	31.5
Floor area (thousands of square feet)	546,445	571,860	2,151	1,012	2,044	1,244	10.7	-5.0	4.7	22.9
Residential: nonhousekeeping										
Number of contracts	441	464	8	2	6	0	- 4	-25.0	5.2	----
Valuation (thousands of dollars)	327,201	504,158	2,855	324	880	0	54.9	-69.2	54.1	----
Floor area (thousands of square feet)	8,179	11,483	111	12	29	0	34.7	-74.3	40.4	----
Nonresidential										
Number of contracts	25,282	23,514	117	89	111	57	-12.0	-5.1	-7.0	-36.0
Valuation (thousands of dollars)	9,056,146	11,595,243	34,523	25,431	24,071	12,559	16.3	-30.3	28.0	-50.6
Floor area (thousands of square feet)	252,915	321,468	1,059	763	938	293	8.7	-11.4	27.1	-61.6
Nonbuilding										
Number of contracts	13,713	15,077	187	71	102	133	-9.1	-45.5	9.9	87.3
Valuation (thousands of dollars)	9,012,888	11,144,452	41,830	12,897	136,553	46,496	20.6	226.4	23.7	260.5
Streets and Highways										
Number of contracts	3,989	4,750	37	31	36	65	-17.8	-2.7	19.1	109.7
Valuation (thousands of dollars)	1,399,453	2,255,221	12,254	5,629	127,247	26,960	-18.1	938.4	61.2	378.9

1 Contracts started or expected to start within 60 days
 2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company
 NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales for South Dakota are not available.

TABLE 7.—Retail Sales, United States and South Dakota

	United States		South Dakota				U S	State	U S	State
	1978.I	1979 I	1977 IV	1978.I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	n.a.	n.a.	n.a.	n.a.	11.2	---	15.8	---
Durable goods	55,388	68,203	n a	n a.	n a	n a.	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n a	n a	n a	n a.	9.2	---	12.3	---

n.a. Data not available

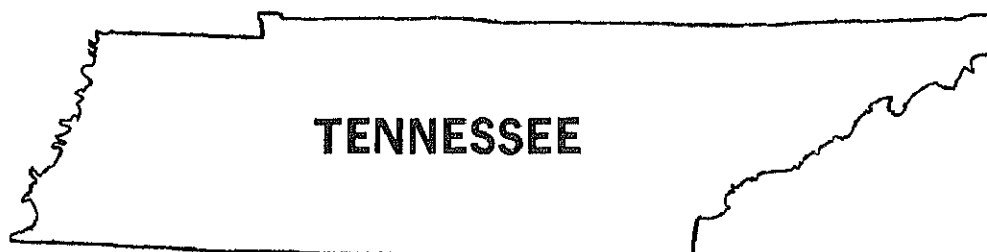
Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and South Dakota

	United States		South Dakota				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977 IV— 1978:IV		1978:I— 1979:I	
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	220	226	218	n.a.	13.2	— .9	— — —	— — —
Total number of business failures	1,729	n.a.	11	9	4	n.a.	— 4.9	— 63.6	— — —	— — —
Current liabilities (thousands of dollars)	697,734	n a	1,786	937	652	n.a.	13.7	— 63.5	— — —	— — —
Average liability per failure (thousands of dollars)	404	n a	162	104	163	n.a.	19.4	.6	— — —	— — —
Business failures by industry										
Mining and manufacturing	271	n.a.	0	1	1	n a	6.0	— — —	— — —	— — —
Construction	279	n.a.	3	1	0	n a	— 8.2	— — —	— — —	— — —
Wholesale trade	205	n.a.	0	1	2	n a	— 6.3	— — —	— — —	— — —
Retail trade	769	n.a.	5	4	1	n.a.	— 4	— 80.0	— — —	— — —
Commercial services	205	n.a.	3	2	0	n.a.	— 23.5	— — —	— — —	— — —

n.a.: Data not available.
 Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income

- Up 13.9% vs. 12.6% in U.S., to \$30.5 billion
- Farm personal income up 93.4% vs. 25.1% in U.S.
- Payrolls in nondurables manufacturing up 12.4% vs. 9.9% in U.S.

Employment

- Up 2.3% vs. 3.8% in U.S., to 1.8 million

Unemployment

- Down almost 1,000, to 122,000
- Rate down slightly, to 6.3%, same as in U.S.

Construction

- Total valuation of contracts up 269.0% vs. 19.8% in U.S.
- Valuation of nonbuilding contracts up substantially (because of large electric generating plant contract) vs. 23.7% increase in U.S.
- Number of dwelling-unit starts down 1.8% vs. 2.6% increase in U.S.

Retail sales

- Up 15.2% vs. 15.8% in U.S., to \$3.5 billion

TABLE 1.—Summary of Economic Indicators, United States and Tennessee

	United States		Tennessee				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	26,095	26,742	29,641	30,471	12.6	13.6	12.6	13.9
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	17,528	17,909	19,687	20,243	12.6	12.3	12.8	13.0
Civilian employment (thousands)	91,401	94,901	1,822	1,764	1,852	1,805	3.9	1.6	3.8	2.3
Unemployment (thousands)	6,705	6,360	105	123	107	122	-8.8	2.2	-5.1	-4
Percent unemployed (unemployment/labor force)	6.8	6.3	5.4	6.5	5.5	6.3	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	10,416	10,775	11,812	n.a.	15.6	13.4	---	---
Total deposits (millions of dollars)	911,772	n.a.	15,840	15,958	17,141	n.a.	9.3	8.2	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	760,397	762,952	816,506	2,815,204	16.8	7.4	19.8	269.0
Dwelling units started (number)	404,171	414,826	10,696	10,050	10,244	9,869	-2	-4.2	2.6	-1.8
Total retail sales (millions of dollars)	167,940	194,529	3,815	3,065	4,124	3,530	11.2	8.1	15.8	15.2
New business incorporations (number)	115,247	n.a.	1,467	1,590	1,503	n.a.	13.2	2.5	---	---
Business failures (number)	1,729	n.a.	40	51	35	n.a.	-4.9	-12.5	---	---
Consumer Price Index (1967=100) U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---

n a. Data not available
Source: See tables 2 through 8.

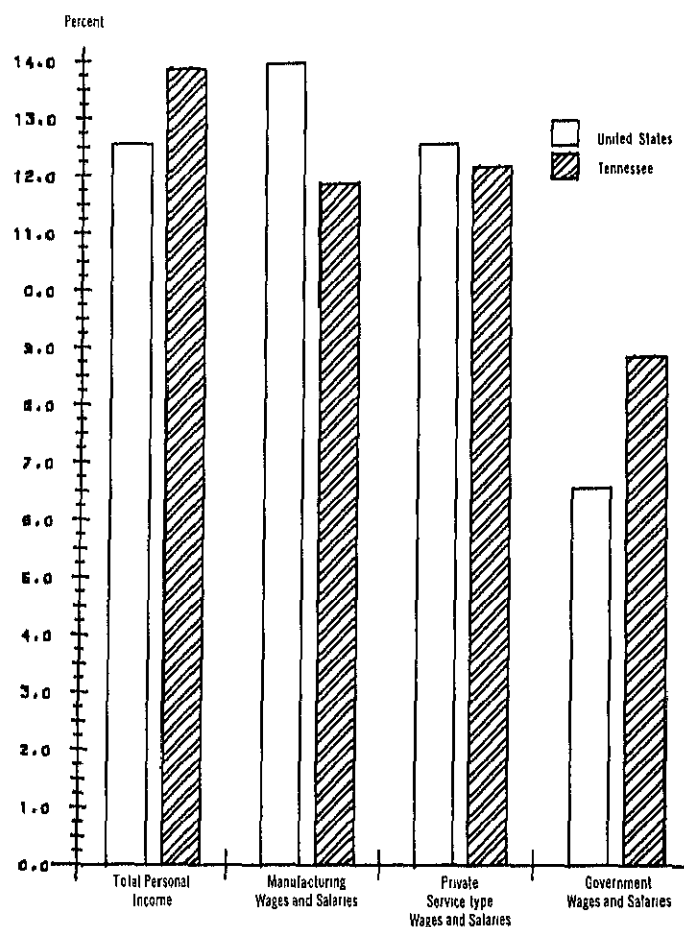
Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Tennessee increased 13.9 percent from 1978:I to 1979:I versus 12.6 percent nationally (table 2). In 1979:I, the State's personal income totaled \$30.5 billion, up \$3.7 billion since 1978:I.

The State's above-national-average increase in total personal income was partly due to a 93.4-percent increase in farm personal income, compared with a national increase of 25.1 percent. Nonfarm personal income in Tennessee increased 12.6 percent, only slightly more than nationally.

Chart 1.—Personal Income, Percent Change, 1978:I–1979:I
[Seasonally adjusted]



Wage and salary disbursements (payrolls) increased 13.0 percent from 1978:I to 1979:I versus 12.8 percent nationally. In 1979:I, payrolls totaled \$20.2 billion, up \$2.3 billion since 1978:I.

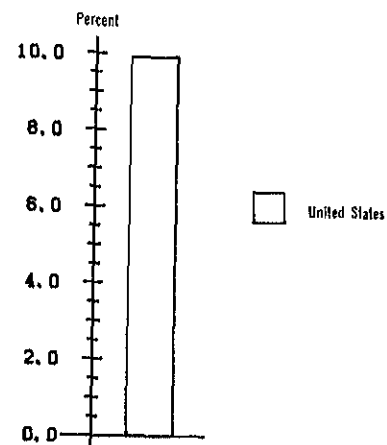
Nondurable goods manufacturing payrolls increased 12.4 percent from year to year versus 9.9 percent nationally. In contrast, durables manufacturing payrolls increased 11.3 percent in the State, one of the smallest increases in the Nation and almost one-third less than nationally.

Federal Government payrolls in Tennessee registered one of the largest increases in the Nation, 12.3 percent, compared with a 7.6-percent national increase. State and local government payrolls increased 6.9 percent versus 6.1 percent nationally.

Construction payrolls increased 42.0 percent from year to year, almost twice as much as nationally. Tennessee's increase was the second largest in the Nation, ranking after Arizona's 45.1-percent increase. Construction payrolls accounted for 15 percent of the year-to-year increase in all payrolls in Tennessee.

In the private service-type industry group, payroll increases of 12.0 percent in transportation-communication-public utilities and 14.5 percent in trade exceeded corresponding national increases. In contrast, payroll increases of 11.6 percent in finance-insurance-real estate and 9.6 percent in services lagged corresponding national increases.

Chart 2.—Consumer Price Index, Percent Change, 1978:I–1979:I



July 1979

Chart 3.—Total Personal Income
[Seasonally adjusted]

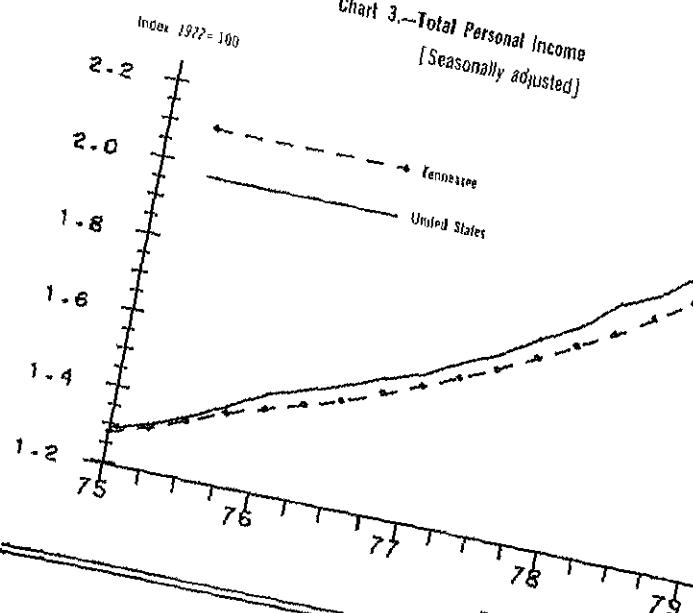


Chart 4.—Industrial Composition of Wages and Salaries
[Seasonally adjusted]

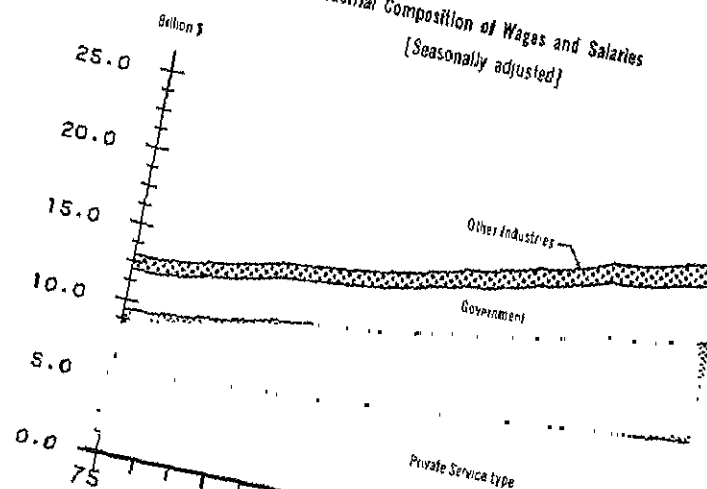


TABLE 2.—Personal Income, United States and Tennessee

	United States		Tennessee		U.S.		State	
	1978 I	1979 I	1978 I	1979 I	1977.IV— 1978.IV	1978.IV— 1979.I	1977.IV— 1978.IV	1978.IV— 1979.I
	Millions of dollars, seasonally adjusted at annual rates ¹				Percent change ²			
Total personal income	1,624,665	1,829,515	26,095	26,742	29,641	30,471	12.6	13.6
Farm personal income	32,083	40,141	303	435	707	842	26.3	13.5
Nonfarm personal income	1,592,582	1,789,374	25,792	26,307	28,934	29,630	12.3	12.4
Total personal income	1,624,665	1,829,515	26,095	26,742	29,641	30,471	12.6	13.6
Wage and salary disbursements	1,042,716	1,176,598	17,528	17,909	19,687	20,243	12.6	12.3
Other labor income	99,957	115,843	1,689	1,748	1,945	2,004	16.4	15.9
Proprietors' income	108,808	126,535	1,851	2,009	2,528	2,685	18.9	16.3
Farm	24,448	31,221	213	345	610	740	31.3	36.6
Nonfarm	84,360	95,314	1,638	1,664	1,917	1,945	15.3	17.0
Dividends, interest, and rent	221,191	250,595	2,699	2,778	3,017	3,118	12.8	11.8
Transfer payments	219,202	238,794	1,138	1,210	1,415	1,489	10.8	9.4
State unemployment insurance benefits	9,997	8,023	151	130	108	108	30.3	24.8
Less personal contributions	66,792	78,351	1,138	1,210	1,415	1,489	10.8	9.4
Plus residence adjustment	-417	-489	-288	-305	-343	-353	15.1	14.1
Wage and salary disbursements	1,042,716	1,176,598	17,528	17,909	19,687	20,243	12.6	12.3
Farm	7,215	8,422	88	88	94	99	10.6	7.1
Nonfarm	1,035,501	1,168,176	17,440	17,821	19,593	20,144	12.6	12.3
Mining	12,013	19,166	131	119	159	165	33.9	21.2
Construction	56,564	68,593	871	822	6,317	6,473	13.3	11.2
Manufacturing	285,735	325,636	2,582	2,653	2,897	2,954	15.2	10.0
Durable goods	182,321	211,944	1,163	1,131	1,318	1,369	13.1	13.0
Non-durable goods	103,414	113,692	730	757	872	884	11.3	11.3
Private service type	473,132	532,823	3,044	3,119	3,449	3,573	13.2	13.3
Transportation, communication, and public utilities	79,598	88,755	793	801	872	894	10.0	10.0
Wholesale and retail trade	177,331	201,808	1,223	1,219	1,318	1,369	13.1	13.3
Finance, insurance, and real estate	55,930	63,373	2,305	2,436	2,613	2,670	6.9	6.9
Services	160,273	179,087	1,280	1,295	1,448	1,455	7.1	7.0
Government	204,558	218,008	2,187	2,187	2,292	2,338	14.6	14.0
Federal	68,698	73,916	33	33	38	40	14.6	14.0
State and local	135,860	144,092	2,154	2,154	2,254	2,298	14.6	14.0
Other	3,498	3,950	33	33	38	40	14.6	14.0

1 Detail may not add to totals because of rounding
2. Based on unrounded data

TABLE 3.—Consumer Price Index, United States and Tennessee¹

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

U.S. city average ²	United States		Tennessee		U.S.		State	
	1978.I	1979.I	1978.I	1979.I	1977.IV— 1978.IV	1978.IV— 1979.I	1977.IV— 1978.IV	1978.IV— 1979.I
	Index, 1967=100, not seasonally adjusted				Percent change			
	188.4	207.0	---	---	8.9	---	9.9	---

1 Consumer Price indexes are shown for the most relevant SMSA(s) for which data are available.
2. Average for 85 representative urban areas based on the 1970 Census of Population
Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Tennessee's civilian labor force increased 2.2 percent versus 3.2 percent nationally (table 4). Total employment increased 2.3 percent (to 1.8 million), compared with a 3.8-percent national increase; the State's percentage increase was one of the smallest in the Nation.

With the labor force increasing by slightly less than 41,000 and employment increasing by slightly more than 41,000, the number of

unemployed declined by almost 1,000, to 122,000. Tennessee's unemployment rate declined slightly, to 6.3 percent of the labor force in 1979:I, the same as nationally.

Among Tennessee's major metropolitan areas, preliminary unemployment rates for February 1979, when the State's rate was 6.4 percent, ranged from 5.7 percent in Chattanooga to 4.2 percent in Nashville-Davidson.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Tennessee

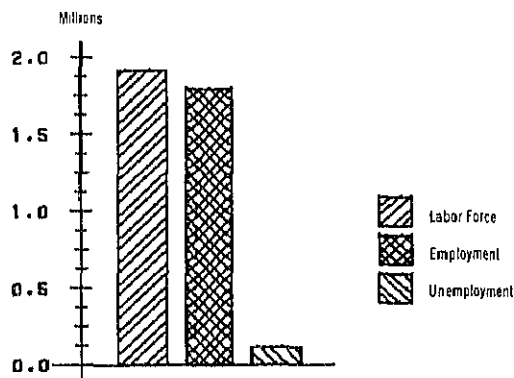


Chart 6.—Unemployment Rates, 1978:I—1979:I

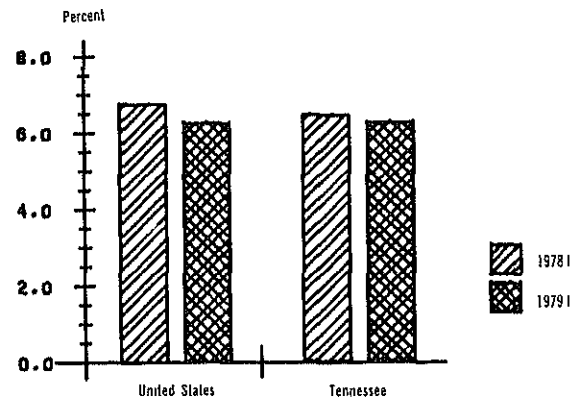


TABLE 4.—Labor Force, United States and Tennessee

	United States		Tennessee				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV		1978:I-- 1979:I	
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	1,697	1,664	1,743	1,718	4.2	2.7	2.9	3.2
Mining	730	896	11	10	10	10	14.4	-2.9	22.7	5.2
Construction	3,784	3,973	83	71	92	86	11.2	11.4	5.0	20.9
Manufacturing	20,064	20,652	517	516	526	522	3.6	1.6	2.9	1.1
Transportation, communication, and public utilities	4,779	4,943	81	79	84	83	4.4	3.2	3.4	4.6
Wholesale and retail trade	18,937	19,549	372	359	381	371	4.5	2.4	3.2	3.4
Finance, insurance, and real estate	4,601	4,790	71	72	73	73	5.2	2.1	4.1	1.7
Services	15,758	16,149	258	257	267	264	4.4	3.5	2.5	2.7
Government	15,435	15,648	304	302	310	310	1.4	2.0	1.4	2.8
Civilian labor force ³	98,106	101,260	1,927	1,887	1,959	1,928	3.1	1.7	3.2	2.2
Total employed	91,401	94,901	1,822	1,764	1,852	1,805	3.9	1.6	3.8	2.3
Total unemployed ⁴	6,705	6,360	105	123	107	122	-8.8	2.2	-5.1	-4.4
Percent unemployed	6.8	6.3	5.4	6.5	5.5	6.3	--	--	--	--

¹ Detail may not add to totals because of rounding.

² Based on unrounded data.

³ Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Chart 7.—Civilian Labor Force

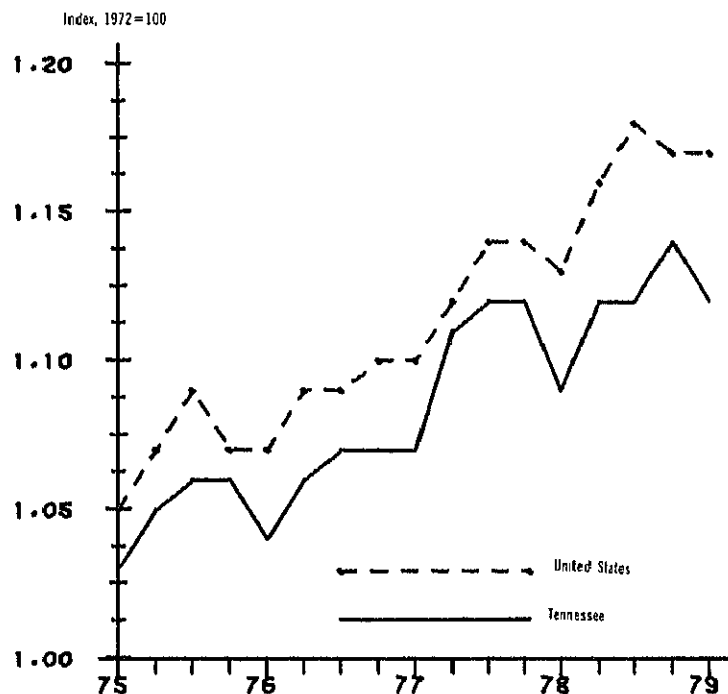


Chart 8.—Civilian Employment

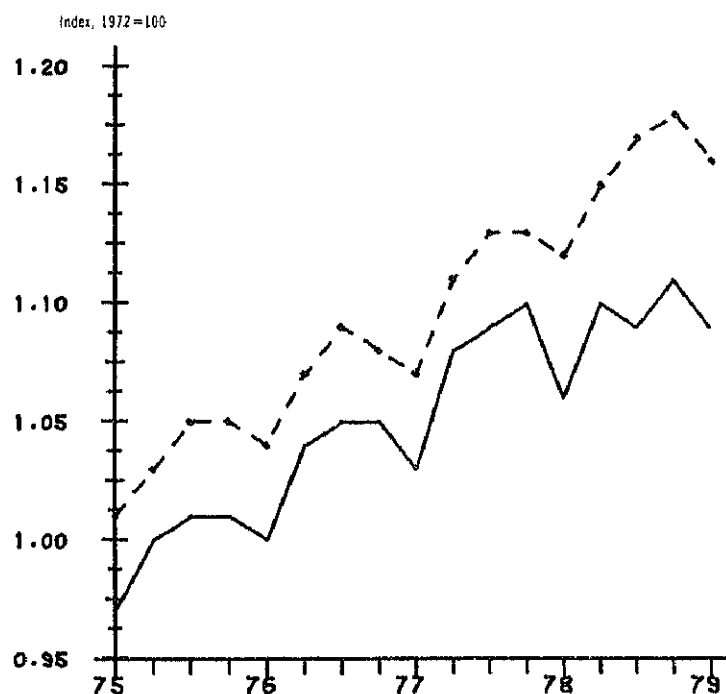


Chart 9.—Unemployment Rate

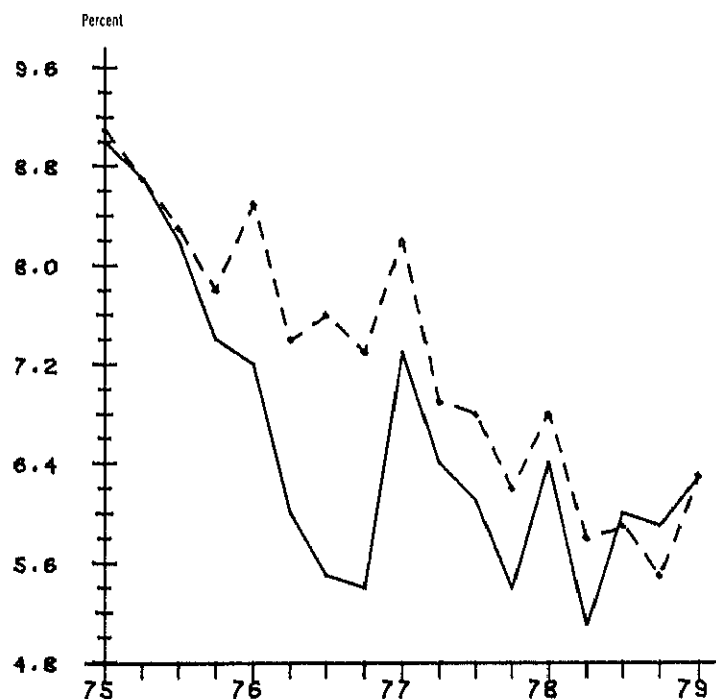
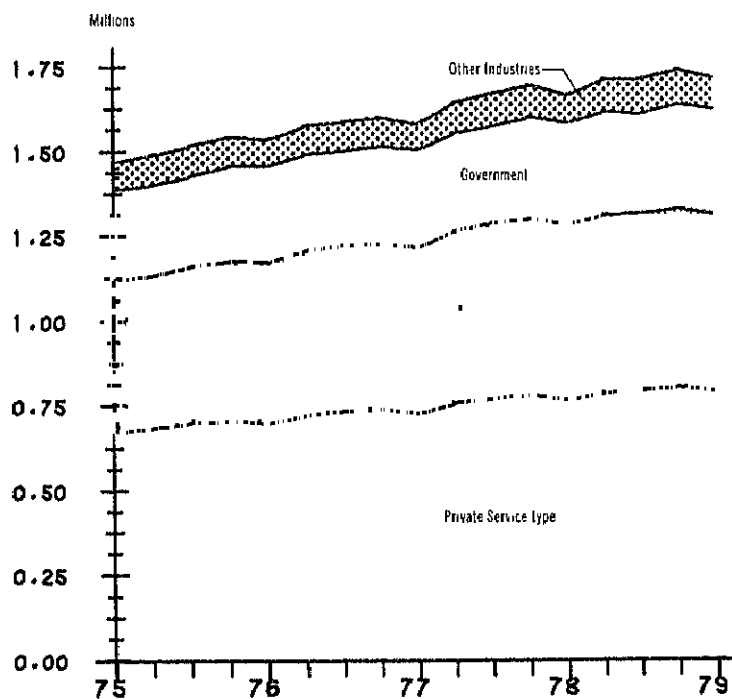


Chart 10.—Industrial Composition of Nonagricultural Employment: Tennessee



Commercial Banking

Due to changes in the data reporting practices of the Federal Deposit Insurance Corporation, the commercial banking data for 1979:I arrived too late for this report to include the commercial banking discussion for 1978:I–1979:I and the commercial banking charts 11, 12, and 13. The commercial banking table is shown below.

TABLE 5.—Commercial Banking Indicators, United States and Tennessee

	United States		Tennessee				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV-- 1978 IV	1978 I-- 1979 I		
	Millions of dollars, not seasonally adjusted ¹						Percent change ²			
Total loans	619,218	n.a.	10,416	10,775	11,812	n.a.	15.6	13.4	---	---
Commercial and industrial	202,241	n.a.	2,691	2,863	2,997	n.a.	13.3	11.4	---	---
Loans to individuals	143,356	n.a.	3,478	3,540	3,947	n.a.	18.7	13.5	---	---
Real estate	183,599	n.a.	3,285	3,408	3,863	n.a.	19.6	17.6	---	---
Residential	104,830	n.a.	1,480	1,536	1,782	n.a.	22.1	20.4	---	---
Farms	7,919	n.a.	334	344	365	n.a.	9.6	9.3	---	---
Other	70,851	n.a.	1,471	1,529	1,717	n.a.	17.0	16.7	---	---
Farms, excluding real estate	25,440	n.a.	296	298	309	n.a.	9.5	4.3	---	---
Other	64,581	n.a.	665	666	695	n.a.	7.9	4.5	---	---
Total deposits	911,772	n.a.	15,840	15,958	17,141	n.a.	9.3	8.2	---	---
Demand	344,245	n.a.	5,626	5,342	6,030	n.a.	5.6	7.2	---	---
Time and savings	567,527	n.a.	10,213	10,615	11,111	n.a.	11.9	8.8	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Federal Deposit Insurance Corporation

The following discussion of commercial banking indicators, 1977:IV–1978:IV, was omitted from the April 1979 issue of *State Quarterly Economic Developments*.

Total loans increased 13.4 percent (\$1.4 billion) in Tennessee from 1977:IV to 1978:IV, 2.2 percentage points less than nationally (table 5). In 1978:IV, bank loans totaled \$11.8 billion in the State. All categories of loans in Tennessee registered below-national-average increases from year to year. Commercial and industrial loans increased 11.4 percent, 1.9 percentage points less than nationally, and loans to individuals increased 13.5 percent, 5.2 percentage points less than nationally. Real estate loans increased 17.6 percent in the State and 19.6 percent in the Nation.

Total deposits increased 8.2 percent (\$1.3 billion) from 1977:IV to 1978:IV, 1.1 percentage points less than nationally. In 1978:IV, bank deposits totaled \$17.1 billion in the State. Time and savings deposits increased 8.8 percent from year to year, one of the smallest increases in the Nation and 3.1 percentage points less than nationally. In contrast, demand deposits increased 7.2 percent in Tennessee, compared with 5.6 percent in the Nation.

Construction

From 1978:I to 1979:I, the total valuation of construction contracts increased 269.0 percent (\$2.1 billion), to \$2.8 billion, compared with a 19.8-percent national increase (table 6). Tennessee's percentage increase was the second largest in the Nation, after Mississippi's. In 1979:I, a \$1.8 billion contract for the construction of an electric generating plant in Hawkins County, a \$100 million contract for the construction of an elementary school in Fentress County, and a \$70 million contract for the construction of a fuel products plant in Shelby County raised the State's total valuation of contracts to an unusually high level, thereby distorting the year-to-year change. If all three contracts are excluded, the total valuation of contracts in Tennessee would have increased only 10.8 percent from year to year. From 1978:I to 1979:I, national construction costs increased about 14 percent.

Primarily reflecting the Hawkins County contract, the valuation of nonbuilding contracts increased from \$96.7 million in 1978:I to \$1.9 billion in 1979:I. Nationally, nonbuilding contracts increased 23.7 percent

in valuation. In contrast, the valuation of Tennessee's street and highway contracts, a major component of nonbuilding contracts, was about unchanged from year to year, compared with a national increase of 61.2 percent.

Reflecting the Fentress County and Shelby County contracts, the valuation of nonresidential contracts increased 81.9 percent (\$173.1 million) in the State versus 28.0 percent nationally.

The valuation of contracts for additions and alterations to residential housekeeping units increased 25.6 percent (\$29.2 million) from year to year, compared with a 17.9-percent national increase. In contrast, the valuation of contracts for new residential housekeeping units increased only 6.7 percent (\$21.7 million), compared with an 11.8-percent national increase. The number of dwelling units started in the State declined 1.8 percent (181 units), to 9,869, versus a national increase of 2.6 percent.

Chart 14.—Construction Contracts—Total Valuation

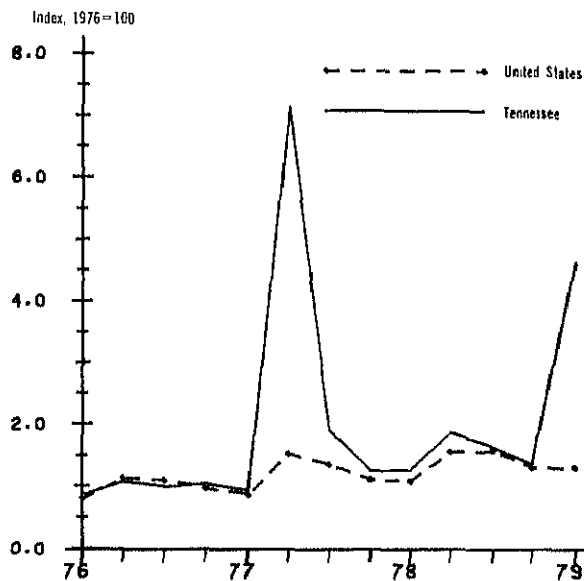


Chart 15.—Construction Contracts—Valuation of Contracts by Type: Billion \$ Tennessee

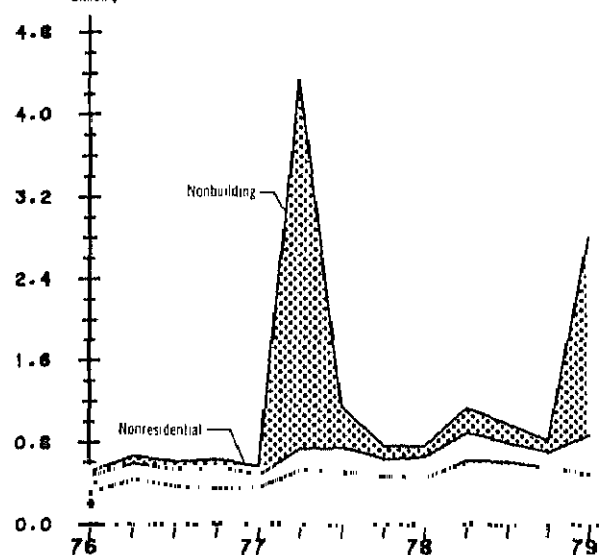


Chart 16.—Construction Contracts: Valuation of Contracts and Number of Dwelling Units Started, Percent Change, 1978:I—1979:I

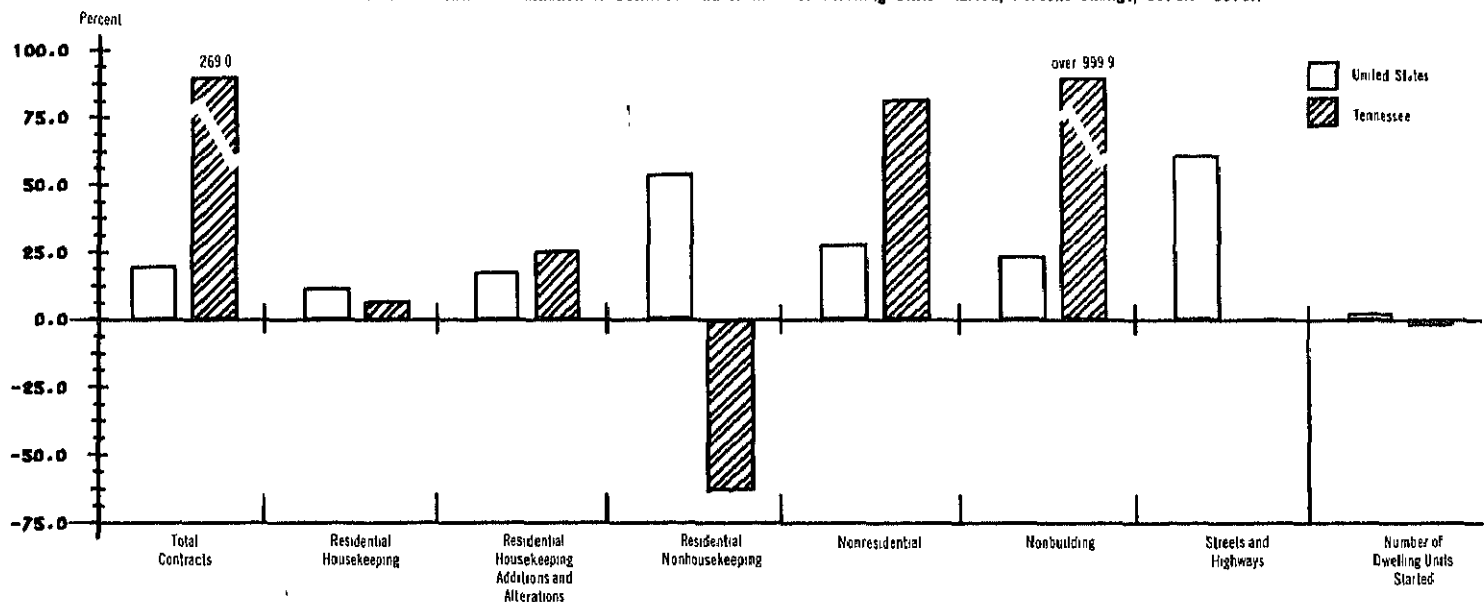


TABLE 6.—Construction Contracts, United States and Tennessee¹

	United States		Tennessee				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change ²			
Total valuation of contracts	38,107,230	45,638,147	760,397	762,952	816,506	2,815,204	16.8	7.4	19.8	269.0
Residential housekeeping, additions and alterations										
Valuation (thousands of dollars)	5,904,299	6,962,771	134,149	113,977	170,750	143,154	14.6	27.3	17.9	25.6
All other contracts										
Number of contracts	53,028	53,454	1,405	1,244	1,171	1,161	-9.3	-16.7	.8	-6.7
Valuation (thousands of dollars)	32,202,931	38,675,376	626,248	648,975	645,756	2,672,050	17.3	3.1	20.1	311.7
Floor area (thousands of square feet)	807,538	904,811	19,784	20,322	21,915	21,364	10.3	10.8	12.0	5.1
Residential housekeeping										
Number of contracts	13,592	14,399	375	354	351	360	-4.3	-6.4	5.9	1.7
Number of dwelling units	404,171	414,826	10,696	10,050	10,244	9,869	-2	-4.2	2.6	-1.8
Valuation (thousands of dollars)	13,806,696	15,431,523	325,876	326,236	371,026	347,942	15.6	13.9	11.8	6.7
Floor area (thousands of square feet)	546,445	571,860	14,038	14,125	16,101	14,337	10.7	14.7	4.7	1.5
Residential nonhousekeeping										
Number of contracts	441	464	13	13	11	14	-4	-15.4	5.2	7.7
Valuation (thousands of dollars)	327,201	504,158	2,031	14,748	4,106	5,416	54.9	102.2	54.1	-63.3
Floor area (thousands of square feet)	8,179	11,483	62	398	90	110	34.7	45.5	40.4	-72.5
Nonresidential										
Number of contracts	25,282	23,514	667	560	495	451	-12.0	-25.8	-7.0	-19.5
Valuation (thousands of dollars)	9,056,146	11,595,243	172,565	211,296	161,827	384,431	16.3	-6.2	28.0	81.9
Floor area (thousands of square feet)	252,915	321,468	5,685	5,799	5,724	6,917	8.7	7	27.1	19.3
Nonbuilding										
Number of contracts	13,713	15,077	350	317	314	336	-9.1	-10.3	9.9	6.0
Valuation (thousands of dollars)	9,012,888	11,144,452	125,776	96,695	108,797	1,934,261	20.6	-13.5	23.7	***
Streets and Highways										
Number of contracts	3,989	4,750	90	113	92	86	-17.8	2.2	19.1	-23.9
Valuation (thousands of dollars)	1,399,453	2,255,221	62,920	34,844	40,706	34,798	-18.1	-35.3	61.2	-1

***Percent change greater than 999.9

1 Contracts started or expected to start within 60 days

2 Percent changes for floor area based on unrounded data

Source: F. W. Dodge Division, McGraw-Hill Information Systems Company

NOTE—Detail for floor area data may not add to totals because of rounding

Retail Sales

Retail sales in Tennessee totaled \$3.5 billion in 1979 I, up 15.2 percent (table 7). In 1979:I, nondurable goods totaled \$2.4 billion, and (\$465 million) since 1978:I, compared with a national increase of 15.8 percent (table 7). In 1979:I, durable goods totaled \$1.1 billion.

TABLE 7.—Retail Sales, United States and Tennessee

	United States		Tennessee				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Millions of dollars, not seasonally adjusted						Percent change			
Retail sales	167,940	194,529	3,815	3,065	4,124	3,530	11.2	8.1	15.8	15.2
Durable goods	55,388	68,203	n.a.	n.a.	1,214	1,113	15.3	---	23.1	---
Nondurable goods	112,552	126,356	n.a.	n.a.	2,910	2,417	9.2	---	12.3	---

n.a. Data not available

Source: U.S. Department of Commerce, Bureau of Census

TABLE 8.—Business Incorporations and Failures, United States and Tennessee

	United States		Tennessee				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	Not seasonally adjusted						Percent change			
New business incorporations	115,247	n.a.	1,467	1,590	1,503	n.a.	13.2	2.5	---	---
Total number of business failures	1,729	n.a.	40	51	35	n.a.	-4.9	-12.5	---	---
Current liabilities (thousands of dollars)	697,734	n.a.	48,913	5,178	7,717	n.a.	13.7	-84.2	---	---
Average liability per failure (thousands of dollars)	404	n.a.	1,223	102	220	n.a.	19.4	-82.0	---	---
Business failures by industry										
Mining and manufacturing	271	n.a.	5	5	6	n.a.	6.0	20.0	---	---
Construction	279	n.a.	14	9	8	n.a.	-8.2	-42.9	---	---
Wholesale trade	205	n.a.	2	3	1	n.a.	-6.3	-50.0	---	---
Retail trade	769	n.a.	13	30	14	n.a.	-4	7.7	---	---
Commercial services	205	n.a.	6	4	6	n.a.	-23.5	.0	---	---

n.a. Data not available.

Source: Dun & Bradstreet, Inc.

NOTE—This table may not be reproduced without the permission of Dun & Bradstreet, Inc.



Highlights

1978:I to 1979:I

Personal income	—Up 14.7% vs. 12.6% in U.S., to \$108.3 billion —Durables manufacturing payrolls up 19.2% vs. 16.2% in U.S. —Mining payrolls up 36.3% vs. 59.5% in U.S.
Consumer prices	—Up 10.5% in Dallas and 13.7% in Houston vs. 9.9% in U.S.
Employment	—Up 5.0% vs. 3.8% in U.S., to 5.9 million
Unemployment	—Down 48,000, to 259,000 —Rate down 1.0 percentage point, to 4.2% of labor force vs. 6.3% in U.S.
Construction	—Total valuation of contracts up 8.1% vs. 19.8% in U.S., to \$4.0 billion —Valuation of nonresidential contracts up 15.0% vs. 28.0% in U.S., to \$1.5 billion —Number of dwelling-unit starts down 10.7% vs. 2.6% gain in U.S. to 41,859
Retail sales	—Up 16.0% vs. 15.8% in U.S., to \$12.7 billion

TABLE 1.—Summary of Economic Indicators, United States and Texas

	United States		Texas				U.S.	State	U.S.	State
	1978:I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV	1978 I— 1979 I	1978 I— 1979 I	1978 I— 1979 I
	All indicators, except income, not seasonally adjusted						Percent change			
Total personal income (millions of dollars)	1,624,665	1,829,515	92,152	94,452	105,549	108,316	12.6	14.5	12.6	14.7
Total wages and salaries (millions of dollars)	1,042,716	1,176,598	59,245	61,014	68,728	70,668	12.6	16.0	12.8	15.9
Civilian employment (thousands)	91,401	94,901	5,590	5,583	5,809	5,861	3.9	3.9	3.8	5.0
Unemployment (thousands)	6,705	6,360	290	307	278	259	-8.8	-4.1	-5.1	-15.8
Percent unemployed (unemployment/labor force)	6.8	6.3	4.9	5.2	4.6	4.2	---	---	---	---
Total loans (millions of dollars)	619,218	n.a.	36,605	38,228	44,515	n.a.	15.6	21.6	---	---
Total deposits (millions of dollars)	911,772	n.a.	60,275	60,818	67,940	n.a.	9.3	12.7	---	---
Total valuation of construction contracts (thousands of dollars)	38,107,230	45,638,147	2,903,864	3,666,789	3,696,739	3,963,217	16.8	27.3	19.8	8.1
Dwelling units started (number)	404,171	414,826	45,394	46,884	34,021	41,859	-2	-25.1	2.6	-10.7
Total retail sales (millions of dollars)	167,940	194,529	12,428	10,980	13,971	12,741	11.2	12.4	15.8	16.0
New business incorporations (number)	115,247	n.a.	5,888	6,871	8,226	n.a.	13.2	39.7	---	---
Business failures (number)	1,729	n.a.	101	79	136	n.a.	-4.9	34.7	---	---
Consumer Price Index (1967=100):										
U.S. city average	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Dallas	---	---	183.8	186.7	200.7	206.3	---	9.2	---	10.5
Houston	---	---	192.7	196.2	216.0	223.1	---	12.1	---	13.7

n.a., Data not available.
Source: See tables 2 through 8

Analysis

Personal Income

Total personal income (seasonally adjusted at annual rates) in Texas increased 14.7 percent from 1978:I to 1979:I, outpacing the Nation's gain by over 2 percentage points (table 2). In 1979:I, Texas' personal income totaled \$108 billion, up \$14 billion from the 1978:I level. During the same timespan, consumer prices increased 10.5 percent in Dallas and 13.7 percent in Houston, compared with a U.S. city average increase of 9.9 percent (table 3). If the average of the two metropolitan-area price increases is used as an indicator for price increases in the State, real total personal income increased about 2.6 percent in Texas versus 2.7 percent nationally.

Wage and salary disbursements (payrolls) increased 15.9 percent from 1978:I to 1979:I, leading the Nation's gain by over 3 percentage points and ranking among the largest State gains. Reflecting above-national-average increases in all four major components, private service-type

payrolls increased 15.7 percent, comparing favorably with a 12.6-percent gain nationally. Transportation-communication-public utilities payrolls increased 16.5 percent, to \$5.7 billion. Trade payrolls increased 16.4 percent, to \$14.0 billion. Finance-insurance-real estate payrolls increased 14.9 percent, to \$3.8 billion. Services payrolls increased 14.6 percent, a gain ranking eighth among all States, to \$9.6 billion.

Construction payrolls increased by one-fourth from year to year, leading the Nation's gain by almost 4 percentage points. Mining payrolls increased 36.3 percent, Texas' largest payroll gain. The State's gain lagged the Nation's 59.5-percent gain; the latter gain reflected the return to work of coal miners in major coal-mining States following a strike in late 1977 and early 1978.

State and local government payrolls increased 11.1 percent, to \$7.8 billion. The State's gain, which was exceeded in only six States, led the national average gain by 5 percentage points. The Federal Government payroll increased 5.6 percent, to \$4.7 billion. The State's gain, which was the smallest registered by a major industry in Texas, lagged the Nation's gain by 2 percentage points.

Durables manufacturing payrolls increased 19.2 percent, outpacing the Nation's gain of 16.2 percent. Nondurables payrolls increased 7.9 percent, lagging the Nation's gain of 9.9 percent.

Chart 1.—Personal Income, Percent Change, 1978:I—1979:I
[Seasonally adjusted]

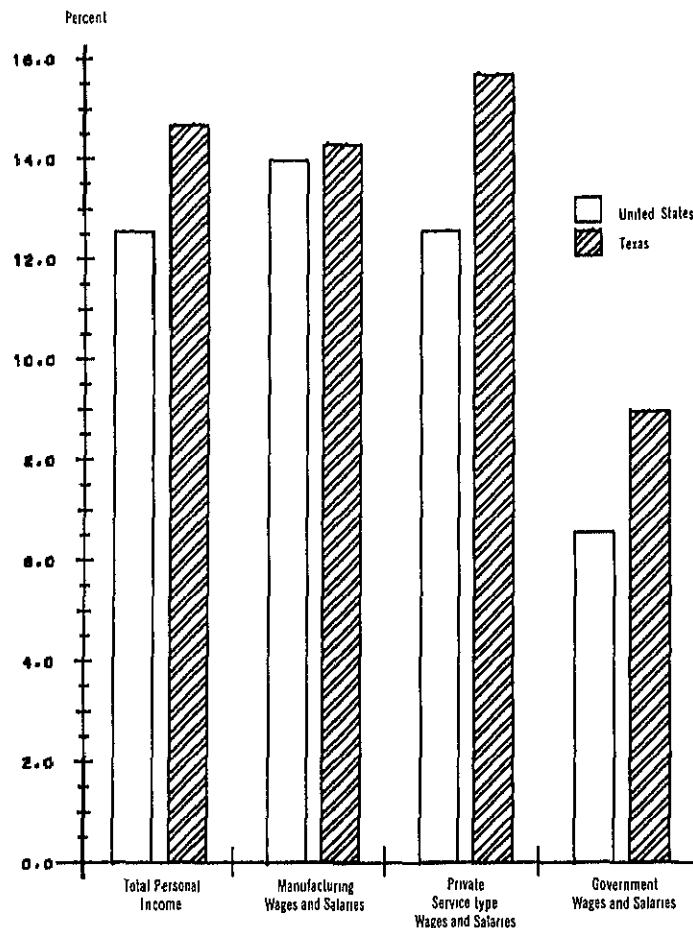


Chart 2.—Consumer Price Index, Percent Change, 1978:I—1979:I

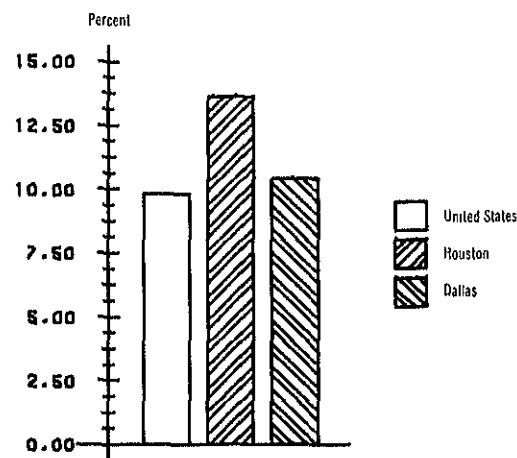


Chart 3.—Total Personal Income

[Seasonally adjusted]

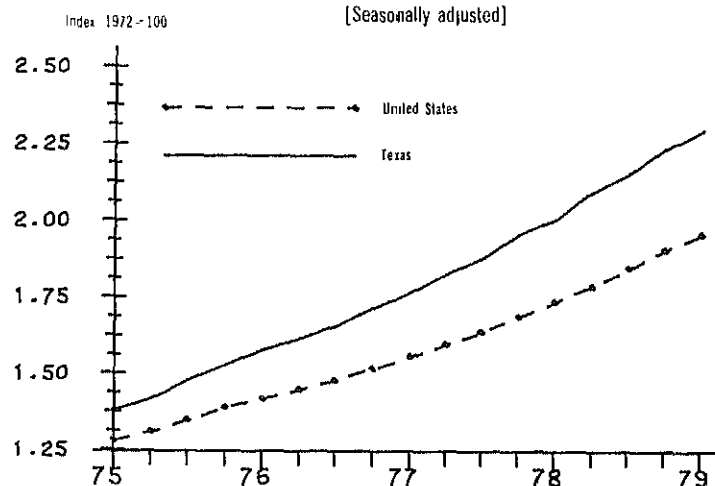


Chart 4.—Industrial Composition of Wages and Salaries

[Seasonally adjusted]

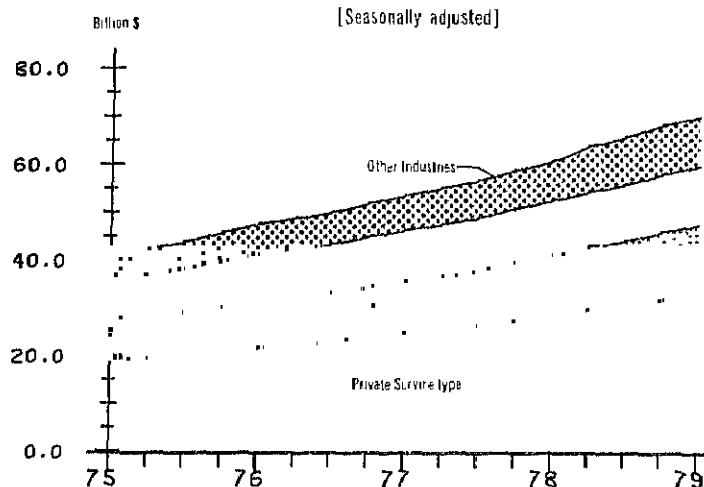


TABLE 2.—Personal Income, United States and Texas

	United States		Texas				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV- 1978 IV		1978 I- 1979 I	
	Millions of dollars, seasonally adjusted at annual rates ¹						Percent change ²			
Total personal income	1,624,665	1,829,515	92,152	94,452	105,549	108,316	12.6	14.5	12.6	14.7
Farm personal income	32,083	40,141	1,697	1,476	1,461	1,677	26.3	-13.9	25.1	13.7
Nonfarm personal income	1,592,582	1,789,374	90,455	92,976	104,088	106,639	12.3	15.1	12.4	14.7
Total personal income	1,624,665	1,829,515	92,152	94,452	105,549	108,316	12.6	14.5	12.6	14.7
Wage and salary disbursements	1,042,716	1,176,598	59,245	61,014	68,728	70,688	12.6	16.0	12.8	15.9
Other labor income	99,957	115,833	5,872	6,131	7,037	7,261	16.4	19.8	15.9	18.4
Proprietors' income	108,808	126,535	7,163	7,122	7,869	8,185	18.9	11.2	16.3	14.9
Farm	24,448	31,221	1,318	1,098	1,055	1,250	31.3	-20.0	27.7	13.9
Nonfarm	84,360	95,314	5,845	6,024	6,813	6,935	15.3	18.3	13.0	15.1
Dividends, interest, and rent	221,191	250,595	13,574	14,000	15,250	15,798	12.8	12.3	13.3	12.8
Transfer payments	219,202	238,794	10,075	10,269	11,092	11,298	8.2	10.1	8.9	10.0
State unemployment insurance benefits	9,997	8,023	192	165	150	117	-30.3	-21.8	-19.7	-29.5
Less personal contributions	66,792	78,351	3,568	3,836	4,238	4,619	15.1	18.8	17.3	20.4
Plus residence adjustment	-417	-489	-209	-248	-288	-294	-	-	-	-
Wage and salary disbursements	1,042,716	1,176,598	59,245	61,014	68,728	70,688	12.6	16.0	12.8	15.9
Farm	7,215	8,422	369	368	395	416	10.6	7.1	16.7	13.1
Nonfarm	1,035,501	1,168,176	58,876	60,646	68,333	70,272	12.6	16.1	12.8	15.9
Mining	12,013	19,166	2,770	2,905	3,871	3,959	33.9	39.8	59.5	36.3
Construction	56,564	68,593	4,681	4,680	5,762	5,856	20.1	23.1	21.3	25.1
Manufacturing	285,735	325,636	12,408	12,782	14,257	14,612	13.3	14.9	14.0	14.3
Durable goods	182,321	211,944	7,110	7,274	8,357	8,671	15.2	17.5	16.2	19.2
Nondurable goods	103,414	113,692	5,299	5,508	5,900	5,941	10.0	11.4	9.9	7.9
Private service type	473,132	532,823	27,508	28,623	31,907	33,130	13.1	16.0	12.6	15.7
Transportation, communication, and public utilities	79,598	88,755	4,853	4,931	5,523	5,747	11.3	13.8	11.5	16.5
Wholesale and retail trade	177,331	201,608	11,537	12,051	13,465	14,028	14.1	16.7	13.7	16.4
Finance, insurance, and real estate	55,930	63,373	3,137	3,279	3,672	3,769	13.2	17.1	13.3	14.9
Services	160,273	179,087	7,981	8,362	9,246	9,587	12.7	15.8	11.7	14.6
Government	204,558	218,008	11,307	11,436	12,303	12,464	6.9	8.8	6.6	9.0
Federal	68,698	73,916	4,453	4,416	4,652	4,665	7.1	4.5	7.6	5.6
State and local	135,860	144,092	6,854	7,020	7,651	7,799	6.8	11.6	6.1	11.1
Other	3,499	3,950	201	220	234	251	14.6	16.1	12.9	14.3

1 Detail may not add to totals because of rounding

2 Based on unrounded data

Source: U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Measurement Division

TABLE 3.—Consumer Price Index, United States and Texas¹

	United States		Texas				U S	State	U S	State
	1978 I	1979 I	1977 IV	1978 I	1978 IV	1979 I	1977 IV— 1978 IV		1978 I— 1979 I	
	Index, 1967 = 100, not seasonally adjusted						Percent change			
U.S. city average ²	188.4	207.0	---	---	---	---	8.9	---	9.9	---
Dallas	---	---	183.8	186.7	200.7	206.3	---	9.2	---	10.5
Houston	---	---	192.7	196.2	216.0	223.1	---	12.1	---	13.7

1 Consumer Price Indexes are shown for the most relevant SMSA(s) for which data are available

2 Average for 85 representative urban areas based on the 1970 Census of Population

Source: U.S. Department of Labor, Bureau of Labor Statistics

NOTE—Unrevised data are used for the quarters prior to January 1978, and revised data are used for the subsequent quarters. Users are advised to exercise caution when making comparisons over time.

Labor Force

From 1978:I to 1979:I, Texas' civilian labor force increased 3.9 percent, 0.7 percentage point above the Nation's advance (table 4). Total employment increased 5.0 percent (from 5.6 million to 5.9 million), leading the 3.8-percent national average advance.

With employment increasing by 278,000 and the labor force increasing by 230,000, the number of unemployed declined by 48,000. The unemployment rate declined 1 percentage point, to 4.2 percent of the labor force in 1979:I. Nationally, the unemployment rate declined one-

half of a percentage point, to 6.3 percent. Only seven States registered lower unemployment rates than Texas in 1979:I.

Across the State, unemployment rates varied considerably. According to preliminary data for March 1979, unemployment rates ranged from 2.5 percent in Austin to 7.3 percent in El Paso; the preliminary State rate was 3.8 percent. The two largest metropolitan areas, Dallas-Fort Worth and Houston, registered rates of 3.0 and 2.9 percent, respectively.

Chart 5.—Labor Force, Employment, and Unemployment, 1979:I: Texas

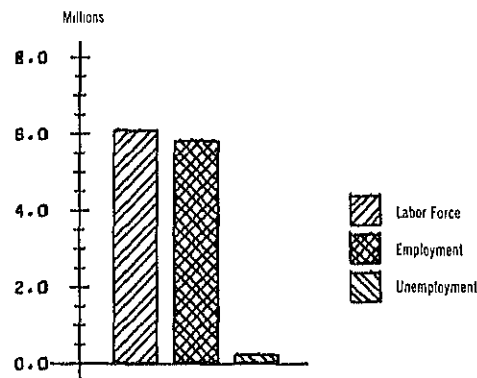


Chart 6.—Unemployment Rates, 1978:I—1979:I

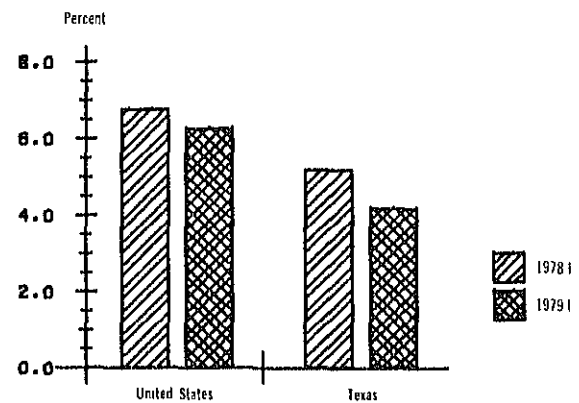


TABLE 4.—Labor Force, United States and Texas

	United States		Texas				U S	State	U S	State
	1978:I	1979:I	1977:IV	1978:I	1978:IV	1979:I	1977:IV-- 1978:IV	1978:I-- 1979:I		
	Thousands of persons, not seasonally adjusted ¹						Percent change ²			
Employees on nonagricultural payrolls	84,207	86,680	5,034	5,084	5,373	5,390	4.2	6.7	2.9	6.0
Mining	730	896	168	174	185	189	14.4	10.0	22.7	8.7
Construction	3,784	3,973	356	353	390	381	11.2	9.4	5.0	8.0
Manufacturing	20,064	20,652	910	930	975	984	3.6	7.2	2.9	5.8
Transportation, communication, and public utilities	4,779	4,943	312	317	341	344	4.4	9.2	3.4	8.4
Wholesale and retail trade	18,937	19,549	1,248	1,242	1,317	1,310	4.5	5.5	3.2	5.5
Finance, insurance, and real estate	4,601	4,790	281	284	301	303	5.2	7.1	4.1	6.8
Services	15,758	16,149	853	864	902	912	4.4	5.8	2.5	5.5
Government	15,435	15,648	905	919	962	966	1.4	6.2	1.4	5.1
Civilian labor force ³	98,106	101,260	5,880	5,890	6,088	6,119	3.1	3.5	3.2	3.9
Total employed	91,401	94,901	5,590	5,583	5,809	5,861	3.9	3.9	3.8	5.0
Total unemployed	6,705	6,360	290	307	278	259	-8.8	-4.1	-5.1	-15.8
Percent unemployed	6.8	6.3	4.9	5.2	4.6	4.2	---	---	---	---

1 Detail may not add to totals because of rounding

2 Based on unrounded data

3 Beginning January 1978, these data are being estimated by new methods, using more current data. This creates a break in the series, and users are advised to exercise caution when making comparisons over time

Source: U.S. Department of Labor, Bureau of Labor Statistics

